

Drastic economic steps imminent

By AVI TEMKIN
Post Economic Correspondent

The Ministerial Economic Committee is due to meet today to conclude discussions on the Treasury's proposed 1983-84 budget. The Treasury is determined that a final decision on the proposed cut be reached this week. The move to convene the committee was made during yesterday's weekly cabinet meeting.

Included in the cut proposals are a 15.2% slash in the Defence Ministry budget, the imposition of fees for various government services, taxing of child allowances and the introduction of economic criteria in determining old age pensions.

Treasury director general Ezra



Aharon Abuhatzzeira leaves the courtroom moments before a brawl broke out between press photographers and his supporters. (Isaac Harari)

Cabinet to hold debate

Jerusalem Post Staff

Prime Minister Menachem Begin ruled yesterday that the cabinet will stage a comprehensive economic debate. This would be in addition to discussing and voting on the budget for 1983-84.

The debate would be on the 1983-84 budget for expenditures which were not foreseen when the 1983-84 budget was drafted.

The prime minister, in his move for a full debate, echoed the demands of several of his colleagues, including Communications Minister Mordechai Zorin, Minister without Portfolio Mordechai Ben-Porat, Energy Minister Yitzhak Moda'i and Social Affairs Minister Aharon Uzan.

Industry Minister Gideon Patt grumbled loudly at the start of the cabinet session that the issue of the 1983-84 budget transfers should never have been aired yesterday, because a previous cabinet decision required the transfers to have been handled first in the Ministerial Economic Committee. Last Friday, Begin approved Aridor's request to put it onto the agenda.

After Aridor explained that the new requirements in Lebanon, plus the salaries for doctors and teachers, would have to be covered without increasing the overall budget amount, he introduced statements from Prof. Ezra Sadan, Treasury director-general, and Yacov Gadish, head of his budgets department. Aridor then asked Prof. Pinchas Sussman and Eitan Berglass to present their views on the economic situation.

Sussman and Berglass stressed that all current needs must be covered from within the existing budget.

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Jerusalem awaits McFarlane's return

Jerusalem Post Staff and agencies

The key to progress in the mission of special U.S. envoy Robert McFarlane lies with the Syrians, political sources in Jerusalem said after yesterday's cabinet session, in which Foreign Minister Yitzhak Shamir reported on his talks with McFarlane last week.

McFarlane was to hold sessions with King Fahd, Defence Minister Prince Sultan, Foreign Minister Prince Saud al-Faisal, and other ranking members of the Saudi royal family.

McFarlane was expected to ask Saudi leaders to talk the Syrians into dropping their rejection of the U.S.-mediated Lebanese-Israeli agreement.

Jerusalem is now waiting for McFarlane's return with a report on his talks in Saudi Arabia, Beirut, and Damascus. He left Damascus last night after day-long talks with President Assad.

The consensus in Jerusalem is that, if there has been no change in the Syrian position, McFarlane will be unable to make any progress in his talks in Jerusalem and Beirut.

Shamir told the cabinet that McFarlane did not take any new Israeli ideas to Damascus. Syria's position has not changed, Shamir said.

According to the political sources, it emerges that Israel does not rule out the possibility of softening its stand on announcing a timetable of its withdrawal from Lebanon.

But it was stressed that any such IDF to get separate ground forces command page 3

Tami ponders revenge as Abuhatzzeira is jailed

By JOSHUA BRILLIANT
Jerusalem Post Reporter

TEL AVIV. — Tami's continued participation in the coalition again became doubtful yesterday when the Supreme Court sentenced its leader, former religious affairs minister Aharon Abuhatzzeira to three months imprisonment for corruption.

But while the likelihood that Tami would leave the coalition over this issue lessened as the day wore on — there was a possibility that it would find another reason for leaving the government.

If Tami does quit, Prime Minister Menachem Begin will be left with 60 supporters — some of whom are shaky.

Some senior Tami members yesterday demanded that the party quit the coalition over the Abuhatzzeira affair. Their demands are likely to come up at a meeting of the party's central committee today.

Deputy Social Affairs Minister Ben-Zion Rubin indicated that such a move was possible when he said that unless the government is ready to examine police handling of the affair, "we will certainly consider this. We do not shrink from such a step, and our coalition colleagues know our threats are not idle."

But Labour, Social Affairs and Absorption Minister Abaroo Uzan disagreed: Tami will "certainly" stay in the coalition, he stated.

Abuhatzzeira himself did not advocate leaving the coalition, although he was very critical of the ministers for letting themselves be led by the "system" which had investigated him.

Questioned over television last night on whether the party should stay in the coalition, he said, "I am not thinking about this topic at the moment. I hope to calm my friends over this issue."

But he repeatedly stressed that he was not considering leaving the coalition "at this moment. We will certainly have much more complicated problems this week and next week, and perhaps because of them we will have to face such problems," he added.

Abuhatzzeira was probably alluding to the cuts in the social welfare budgets which Finance Minister Yoram Aridor is reportedly planning. Observers suggested that if the desire to break with the Likud becomes stronger, the party would do better to quit over a social and economic issue and thus underline that it is fighting on behalf of the poor.

Tami's limited commitment to the coalition was alluded to yesterday by a senior Tami personality who — according to Israel Television — told a Likud minister: "We're staying in the coalition only because of our sense of personal commitment to Begin. We owe the Likud nothing."

According to some reports, Alignment leader Shimon Peres' advice to his Knesset faction to avoid commenting on the affair was motivated by his desire to maintain good relations with Tami with a view to forming an alternative coalition with that party. Yesterday's statement on the Abuhatzzeira affair by Labour's reactions team was very mild. But party spokesman Yossi Beilin said he did not think such considerations were behind Peres' move.

Peres' directive did not stop Labour members from arguing on whether Abuhatzzeira should remain in the Knesset.

The law does not require Abuhatzzeira to resign his seat. He would have to quit only if the prison sentence exceeded one year.

But some members sought to invoke a Knesset regulation which would have the plenary discuss the question of Abuhatzzeira's suspension.

(Continued on Page 2, Col. 6)

Injured officer dies

Segen-Mishne Yehuda Metzger, 21, of Tel Aviv, died yesterday of wounds sustained on May 29, when he was hit by fire aimed at an Israel Defence Forces vehicle some six kilometres south of Bhamdoun in Lebanon, the IDF spokesman said yesterday.

The dead officer will be buried today at 4 p.m. in the military section of the Kiryat Shaul cemetery.

Lebanon car bomb kills 35 in market

BEIRUT. — A car rigged with 100 kilograms of explosives blew up yesterday in a crowded market in Baalbek in the Syrian-controlled Bekaa Valley, killing 35 people and wounding 70 others, police said. Two Syrian soldiers were among the victims.

It was the second massive car-bomb against a civilian target in Syrian-controlled Lebanon territory in two days. A mosque was destroyed by a similar explosion on Friday in the northern port of Tripoli, killing at least 20 worshippers and pedestrians.

The Baalbek bomb demolished a small coffee shop, burying many people beneath the rubble. The blast devastated the market. Police said most of the casualties were Lebanese civilians — vendors, buyers and residents of the low-income neighbourhood.

Fourteen cars were burned and buildings within a one-kilometre radius were damaged. Glass windows of apartments and houses were shattered and wooden doors blown out littering the streets.

A man telephoned an international news agency in Beirut to claim responsibility for the explosion on behalf of the "Front for the Liberation of Lebanon from Foreigners."

The caller said the front was "renewing its operations in occupied Lebanese territory until no foreigner remains on Lebanese soil."

The front's only activity has been to claim responsibility for explosions, and the Lebanese news media treat its claims sceptically.

Syrian troops are in overall control of the area, but PLO forces, militant Shi'ite gunmen and some 300 Iranian Revolutionary Guards are also present.

Its main business now is growing and smuggling hashish that flourishes on the slopes around the Bekaa Valley.

In Lebanon's Israeli-occupied central mountains, rival Christian and Druse militiamen traded all-night artillery and rocket fire. There were no reports on casualties during the fighting, which engulfed a dozen villages in the troubled Shouf and Aley mountain provinces. (Reuter, AP).

Shamir due to visit Rumania next week

Foreign Minister Yitzhak Shamir is due to leave next week for a three-day official visit to Rumania as guest of the Rumanian Foreign Ministry. He will meet with President Nicolae Ceausescu.

Shultz defends Jews' right to live in West Bank

By WOLF BLITZER
Jerusalem Post Correspondent

WASHINGTON. — Secretary of State George Shultz yesterday defended the right of Jews to live on the West Bank. But, he said, they should be prepared to live under any sovereignty accepted during negotiations determining the final status of that territory.

Answering questions on NBC's Meet the Press, Shultz again urged Israel to impose a freeze on new settlement activity. At the same time, he insisted that last week's U.S. statement dismissing the dismantling of existing settlements as "impractical" did not represent any change in existing administration policy.

Asked whether that statement, issued on Wednesday by State Department spokesman John Hughes, was a departure from earlier policy, Shultz replied: "No, I don't think it's a new step. It is a statement that is perfectly consistent with what the present said in his September 1 proposal — namely, that in so far as the settlements on the West Bank are concerned, one could foresee them staying right where they are, but the residents of those settlements would live under the legal jurisdiction of whatever jurisdiction resulted from the negotiations."

Shultz then went on to point out that there was a distinction between the West Bank settlements and "what happened in the Sinai" as part of the 1979 Israeli-Egyptian peace treaty. Israel, of course, had removed all its settlers from Yamit and other Sinai towns before dismantling them.

Israel has always maintained that its actions in Sinai did not set a precedent for the West Bank and Gaza.

Asked further whether Jewish settlers could stay on the West Bank under Jordanian sovereignty or some other autonomous authority, Shultz said: "I think that the principle that Jews have the right to live on the West Bank — to the Israelis — is an important principle, and I agree."

Shultz reiterated the administration's position that Israel should halt new settlement activity immediately. "We have said consistently — the president has — and the U.S. statements have been that new settlements on the West Bank are not constructive. They don't help us at all in our search for peace."

France won't send troops to Chad; Libyan jet downed

PARIS (AP). — French Defence Minister Charles Hernu yesterday ruled out the possibility of an immediate French intervention in Chad, while a Chadian diplomat reported a Libyan plane had been shot down and its pilot captured in northern Chad.

Hernu's statement came amid reports that four French Jaguar ground attack planes had taken off Saturday from a French base in the Atlantic coastal nation of Gabon, located to the south of Chad.

Western sources in Gabon's capital of Libreville also said there had been movements of several French transport planes and that a military DC-8 had arrived in Libreville Saturday night with French equipment and weapons.

A spokesman at the French Ministry said yesterday that the reports were on a "routine mission" and that their departure "was absolutely not a military gesture."

The ministry did not disclose the destination of the Jaguars or comment on the other reported movements.

President Hissene Habre repeatedly has appealed for French troops to help defeat Libyan-backed insurgents loyal to Chad's former president Goukoui Oueddei.

The rebels began their offensive in late June by overtaking the strategic northern outpost of Faya-Largeau, 800 kilometres north of the capital of N'Djamena. Faya-Largeau was recaptured by government troops a week ago and since then Chad has claimed Libyan bombers continuously have struck the city of 10,000 people.

Libya has denied it is involved in the bombing attacks.

The charge d'affaires at Chad's embassy in Paris announced yesterday that government troops had shot down a Libyan jet in fighting around Faya-Largeau.

Ahmad Allammi said the Soviet-built Sukhoi-22 was downed with a SAM-7 ground-to-air missile and that its Libyan pilot, who parachuted out, was captured Saturday night.

Allammi identified the pilot as Major Abdel Salam Mohamed Charfadi and said he commanded a fleet of 16 planes based in the mineral-rich Aozou strip in northernmost Chad on the Libyan border. The Libyan pilot was being questioned, Allammi said.

The U.S., which is providing \$25 million in urgent military aid to Habre's government, on Saturday said it was sending two AWACS electronic surveillance aircraft to monitor the Libyan-backed attack on Faya-Largeau. A State Department spokesman said the decision was made after consultations with France and other concerned governments.

In Paris, Hernu held urgent weekend meetings with top sides and Premier Pierre Mauroy to review the situation in Chad.

Hernu, however, said France could not provide Chad with the air support requested Saturday by Habre, who returned to N'Djamena after personally leading government troops in the recapture of Faya-Largeau.

The French defence minister noted that a 1976 military cooperation accord between Paris and its former colony provides only for logistic support.

In Washington, U.S. Secretary of State George Shultz refused yesterday to publicly comment on the French government's decision not to intervene immediately in Chad.

For me, the affair hasn't ended yet

By ROBERT ROSENBERG
Jerusalem Post Reporter

MK Aharon Abuhatzzeira threatened yesterday "to tell all that has been bottled up inside" about the three-year investigation and trial against him. But unlike some of his supporters yesterday, he did not call for an investigation into the police and prosecution practices that led to a Supreme Court decision to send the former minister to jail for three months.

"I will fight my war," the leader of the Tami party told a KOL Yisrael interviewer, explaining that "while the affair may be over for the courts and for the police, for me it has not yet ended."

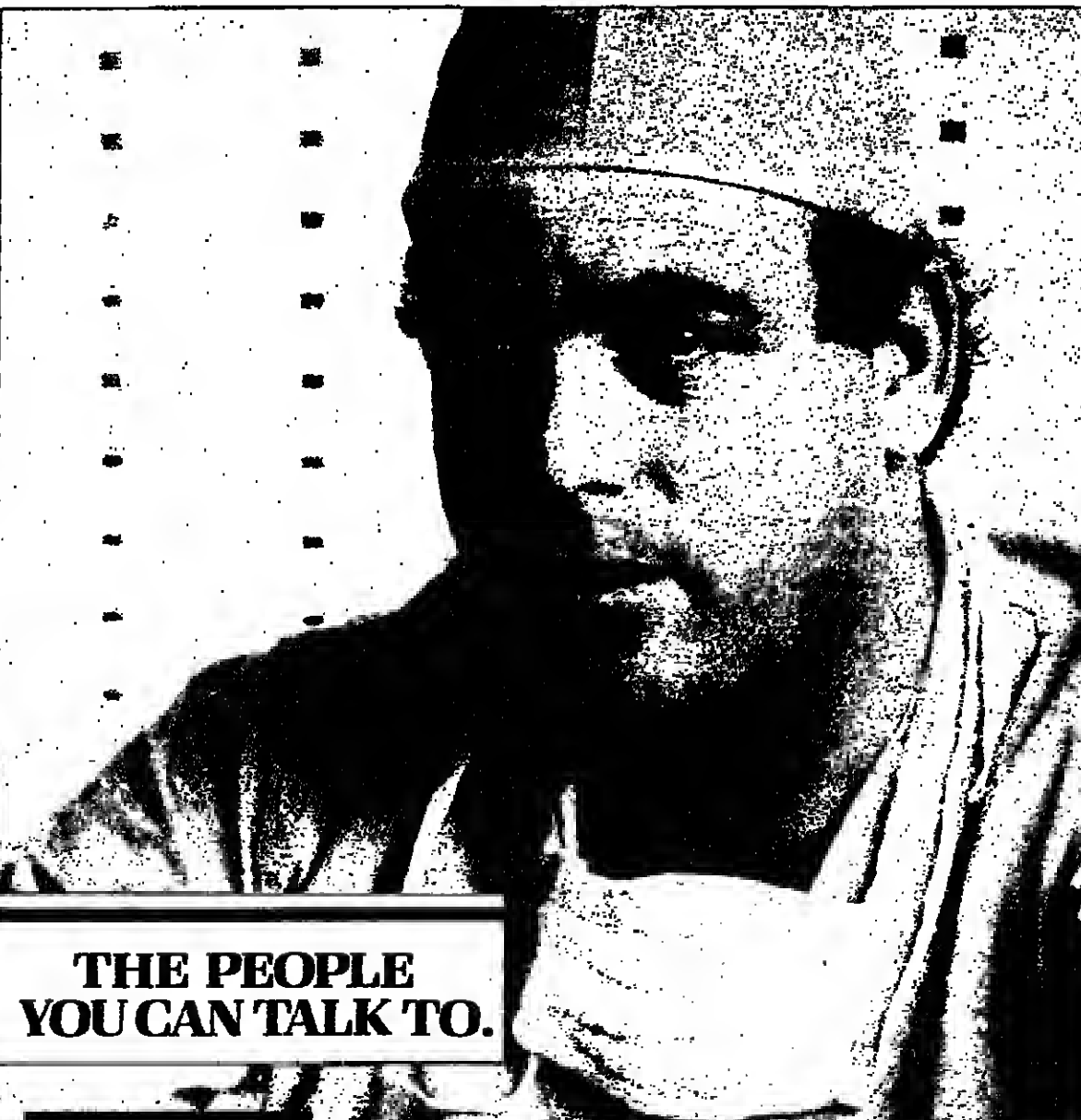
In a television interview last night, Abuhatzzeira went further, lashing out at Interior Minister Yosef Burg.

"I'd complain about the minister in charge of police (Burg), if he was really in charge of the police. But the only time he ruled the police was when they started investigating him. And then the inspector general was thrown out as fast as a missile," said the MK.

He was referring to the dismissal by Burg of Herzl Shafir, reportedly because the latter wanted to bring in the Afarsk file into the open. The Afarsk file was a police intelligence dossier on allegedly illegal transfers of money from the Interior Ministry and the Religious Affairs Ministry to various politically affiliated organizations.

Charging that it was the police who first brought up the "etboic factor" in the Abuhatzzeira case, he said that Tel Aviv District Court judge Victoria Ostrovsky Cohen was also prejudiced by the ethnic matter, referring to him on an occasion as "that type."

"The government revealed something very dangerous (during the last three years)," he said. "It was led by the nose by a handful of people who aren't in the government, led into a very strange affair, during a long and lengthy period (Continued on Page 2, Col. 4)



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DF ground command okayed

By HIRSH GOODMAN
Post Defence Correspondent

The cabinet yesterday voted to set up a Ground Forces Command in addition to the Israel Defence Forces' current structure.

The decision to do so was taken by the general staff in consultation with the defence minister over a month ago, approved by the Ministerial Defence Committee on Friday, and adopted by the cabinet yesterday.

The Ground Forces Command will be headed, in all probability, by Aluf Moshe Bar-Kochba, currently head of the armoured forces. Bar-Kochba will continue to hold both positions.

The question of a Ground Forces Command has surfaced periodically within the defence establishment for the past decade. The most serious proposal was made several years ago by Aluf Israel Tal, but he was opposed by both Murdechai Gur and Rafael Eitan when they served as chief of staff, as well as by most other members of the general staff.

On taking office earlier this year Defence Minister Moshe Arens restated the issue for discussion, managing to get the support of Chief of Staff Moshe Levy for a watered-down version of Tal's plan.

What the IDF will be getting is not a separate arm — like the air force or navy — combining the ground forces under one chain of command, as Tal had recommended, but a new command structure that will only be responsible for unifying doctrine. The new command will have no forces at its disposal, but will be made up

of officers whose job it will be to ensure maximum logistic, training and doctrinal coordination between the various branches of the ground forces, including armour, artillery, infantry and the engineering corps.

Criticism against the move centred around opposition to taking officers away from field postings, and placing them behind office desks. Like Bar-Kochba, however, most officers at the command will fill double functions.

The command of the ground forces themselves will remain in the hands of the chief of staff in time of war, as is the situation now, and will not be given to the ground forces commander, as had been envisioned in the Tal plan. It was the decision to leave operational command in the hands of the chief of staff that made the current proposal more palatable to the general staff, and removed any opposition to the plan within the cabinet.

Defence Minister Arens had been pushing for the command from within a short time of taking office. The minister has said several times that while every branch of the army had undergone a basic examination in terms of structure after the Yom Kippur War, this self-examination had not been extended to the ground forces. The new command, he hoped, would collate all the lessons learned by the separate ground forces in Israel's recent wars, and consolidate these into new, unified doctrine.

Chief of Staff Moshe Levy has also publicly expressed his support for the current plan, saying that he believed it would make for greater efficiency, and a better integration of forces.



Parents Against Silence and members of a unit of reserve soldiers who have just completed their third stint in Lebanon demonstrate side by side yesterday outside Prime Minister Menachem Begin's home, calling for an immediate Israel Defence Forces withdrawal from Lebanon. (Rahumim Israeli)

Eitan at meet of new group

NAHALAL (Itim). — The founding meeting of a non-partisan group dedicated to "the realization of the original Zionist idea" was held here on Saturday evening.

Among the 50-odd participants were the former chief of staff, Rafael Eitan, former activists in the Ein Vered group, and kibbutz and moshav members from various parts of the country.

Eitan read out the group's "national goals" to remove the threat of destruction from Israel, to constitute a drawing force for the Jewish people, and to reduce Israel's dependence on external bodies.

The principles proposed for realizing these goals are: Jewish-Zionist education, aliya, land settlement, the conquest of labour, and readiness to struggle for these principles.

After a discussion of the goals and principles, a committee of 11 was elected to contact other groups who identify themselves with these aims.

Mystery of German sailor's floating corpse

Jerusalem Post Reporter

HAIFA. — The body of a German sailor, crew member of a German merchant ship, was found in the water near the tug boat wharf in the port yesterday morning. He was identified as Georg Karsten, 23.

The body, which had been in the water for many hours, was sent to the forensic medicine institute to establish the cause of death.

The police spokeswoman said last night that the man was last seen on Friday night coming out of a bar near the port with two of his comrades. All three were drunk, his mates told the police, and they had separated at the entrance to the port, they said.

Jerusalem tops road safety campaign

Jerusalem Post Staff

Jerusalem leads the rest of the country in a competition to step up road safety. In the first six months of this year's campaign, it scored 79 points to Tel Aviv's and Haifa's 63.

In an interim press communique, the Road Safety Council and the Transport Ministry said yesterday that 33 towns are taking part this year in three divisions.

Leading the second division is Bat Yam, with 68 points. The third division is led by Afeka, with 73 points, way ahead of runner-up Upper Nazareth which has 61. In the fourth division, Kiryat Tivon has 81 points, while trailing at the foot of the grouping is Yehud, with only 18 points.

The competing towns are judged according to the effort made in improving basic safety facilities, information and education.

The sponsors note a recent improvement in marking pedestrian crossings and traffic lanes.



Jerusalem Mayor Teddy Kolek joins a young volunteer at the soldiers' hitch-hiking post on the road out of the capital yesterday and helps distribute moisturized towels to keep drivers refreshed in the summer heat. (Ze'ev Ackerman)

KGB harassment includes drug charge

Jerusalem Post Reporter

The KGB has accused Prisoner of Zion Lev Elbert of smuggling 25 grams of hashish into a Soviet labour camp and charged him with a breach of discipline, the Greater New York Conference on Soviet Jewry reported.

The hushish was found in a new coat recently bought in Kiev, but the garment bore no signs that it was, in fact, Elbert's coat.

The 35-year-old leader of the Jewish culture and emigration movement in Kiev, has been confined for several weeks to an isolation cell in a labour camp as punishment for the alleged smuggling. He has reportedly lost nearly 15 kilos and has lacerated his hands pounding on the prison bars.

In April, Elbert was called up for military duty. He agreed on condition that he not be assigned to a unit that would expose him to classified information and thus make his emigration to Israel impossible.

When the authorities refused his request, he refused to serve and was jailed for "draft evasion."

Meanwhile, the World Labour Zionist Movement said last week that there are signs of weariness in the struggle for Soviet Jewry around the free world. An early discussion in the movement is needed on ways to intensify the campaign.

MK Aharon Harel, who returned recently from a visit to the Soviet Union, has reported that all phone lines of aliya activists in Kiev have been cut off.

Eight Birzeit students jailed

Jerusalem Post Reporter

The Ramallah Military Court yesterday sentenced eight students at Bir Zeit University north of the town to prison terms after finding them guilty of participating in a violent demonstration last July.

Magid Alwari of Jerusalem was sentenced to two years in prison after the court accepted the prosecution's argument that he had used a catapult to attack troops outside the university and had been among the ring-leaders of the demonstration. Seven other students were sentenced to one and a half years imprisonment.

The court acquitted six other students after it found that the prosecution had not proved its case against them.

The trial of five remaining accused students was postponed to August 18. Two students have already been sentenced to one and a half-year terms.

Nine Birzeit students were being held last night after allegedly participating in an illegal demonstration staged outside the Ramallah military government headquarters where the military court sits.

Meanwhile, one person was killed and two seriously injured in a clash between rival tribes or hamulas in the village of Jih near Ramallah late yesterday afternoon. Police backed up by border police and army units were sent to the village to restore calm.

Moshav farmers want gov't guaranteed prices

By JOSHUA BRILLIANT
Jerusalem Post Reporter

TEL AVIV. — Moshav members from all over the country yesterday demanded that the government guarantee fair prices for agricultural produce to help prevent farmers from going bankrupt.

Speaking at the Moshav Movement's emergency conference, Alignment MK Amos Hadar, co-secretary of the cooperative settlement movement, explained that many moshavim produce primarily for export, which "makes them vulnerable to the caprice of goyim (gentiles) and an idiosyncratic finance minister."

Other speakers pointed out that foreign governments — including the U.S. — sometimes shape their foreign trade policies to help their farmers.

The farmers are expected to present this and other demands to Prime Minister Menachem Begin at a meeting later this week. Begin is acting agriculture minister in place

of the late Simha Ehrlich. Some farmers advocated backing their demands by leasing to market their produce and by blocking roads.

But the leadership cautioned against such action. Hadar said he feared that some farmers would turn strike-breaker, and Alignment MK Yehzekel Zakai of Moshav Ora maintained there was insufficient grass-roots pressure for decisive action. He noted that only a few scores of the moshav movement's members had attended yesterday's meeting and that — he said — suggests that the problem isn't as bad as it has been presented. "If the situation is really bad — please get out into the streets. In France and Italy they take trucks and tractors and topple governments by mass pressure — not party activists," he added.

There was only limited opposition to the resolution finally adopted which said the forum "demands from the movement's secretariat —

and gives it full backing — to take immediate steps with all means to prevent the dissolution and dismemberment of moshavim." No practical steps were mentioned.

Meanwhile, some 50 members of Moshav Noga in the Lachish area of the northern Negev demonstrated opposite the Prime Minister's Office in Jerusalem. The demonstrators, including women and children, demanded that debt-ridden farmers not be arrested, — as some were last week — and that their accounts be re-examined. They also said the interest on their debts should be wiped out.

Farmers have been complaining

about the high interest on development loans. They also claim that tardy government aid has exacerbated their debts.

Farmers further point to the lack of industrialization, pointing out that processed products are imported to Israel, while unused local harvests are dumped.

"Thousands of tons of fruit are destroyed here — but this year \$8 million worth of dried fruit were imported," Efraim Shalom, co-secretary of the Moshav Movement complained. The government has prevented an expansion of milk production — but it is importing milk powder, he added.

Vegetarian hotel opens in Ashkelon

ASHKELON (Itim). — A new vegetarian-naturist hotel, Eitanel Hava, was officially opened here last Friday with the installation of a Tora scroll by local rabbis and a group of Yemenite rabbis who had come for the week-end.

The hotel was built by the Nargo

company, which is owned by Yona Goren, a veteran Ashkelon lawyer. It is located on the coast, near the new breakwater.

In addition to specializing in vegetarian-naturist food, it will also offer physiotherapy for various diseases.

Sabbath work at museum: cash cut threat

TEL AVIV. — Another storm over Sabbath observance has arisen in the Tel Aviv municipality over the discovery of work going on at the Ha'aretz Museum last Saturday.

Dr. Haim Basok, deputy mayor and head of the religious bloc in the city council, told *The Jerusalem Post* that the four city councillors who represent the religious parties would vote against the museum budget when it comes up for approval in the council.

"How can you give a budget to an irresponsible organization?" Basok asked. Municipal spokesman Roni Rimor confirmed that Arab workers were engaged in various tasks Saturday on the museum grounds in Ramat Aviv, but he said they were there without the knowledge of the museum director, Rechavam (Gandhi) Ze'evi.

"Gandhi is not a religious man, but he does respect the Sabbath, and he told the contractor not to allow

anyone to work on Saturday," Rimor said. He added that he was confident the incident would not be repeated.

This is the third time in the past few weeks that religious observance has caused conflict within the city council.

On Tisha Be'Av, the opening of many restaurants and nightclubs angered the religious bloc, and in response, city hall announced 115 fines for desecrating the fast day.

Just before that, a television report on bus services to the beach on Saturday by an affiliate of the Dan bus cooperative caused religious representatives to react. Although the service has been running for five years, the matter got as far as the Knesset, where Agudat Israel threatened to attack the coalition over the issue. Prime Minister Menachem Begin personally requested Lahat's support in preventing desecration of the Sabbath.

Lahat, whose administration has approved a gradual liberalization of the Sabbath, including the opening of more cinemas and theatres on Friday nights, as well as the bus service, pledged to uphold the status quo.

Social workers demand help against violence

Jerusalem Post Reporter

HAIFA. — The 30 employees of the Tirat Hacarmel suburb's social services department yesterday warned that they would take self-protective action today, if the local council does not post an inspector to protect them from physical violence.

Their spokesman said yesterday that a local woman who assaulted a department employee three times last week went free because of "ineffective" police action and the council's failure to act.



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Can We Talk?

In the Shadow Of Warships, Moods Soften

By **RICHARD J. MEISLIN**

MEXICO CITY

THE anxiety created in Central America by President Reagan's dispatch of warships and troops has brought new urgency to talk of political settlements. There was optimism last week after Mr. Reagan's special envoy, Richard B. Stone, met for the first time with a Salvadoran rebel leader and agreed to try to bring the Salvadoran war to a "cease to face."

The optimism was guarded, however, and rightly so. Within hours, Washington was reaffirming its opposition to discussions on anything other than bringing the leftists into democratic elections. Ruben Zamora, the rebel leader, was insisting that agreement had been reached on an "open agenda." Mr. Stone's previous efforts to talk with the rebels foundered on similar differences.

Even if semantic solutions are found, meaningful negotiations will be difficult. One reason is competing interests among the Salvadoran rebels. Mr. Reagan frequently speaks of them as if they were a monolithic Communist juggernaut. On the contrary, the opposition is splintered. Some guerrilla fighters see negotiations as a useful part of their battle; others see a prolonged war as the primary route.

Divisions are also becoming apparent between the Salvadoreans and their Nicaraguan and Cuban supporters, who seem to be taking seriously United States talk of a naval quarantine and other threats, as Secretary of State George P. Shultz asserted last week. The Nicaraguan Sandinistas, pressed by United States-supported insurgents and practicing what a senior official called "survival politics," have offered to negotiate a cutoff of arms supplies by all countries to El Salvador. "This is a heavy meal," a Salvadoran guerrilla leader commented last week. "It will take a while to digest."

Internally, there are differences between the Democratic Revolutionary Front, the coalition of Salvadoran opposition groups that includes Social Democrats, dissident Christian Democrats and other non-Marxists and its harder-line military sibling, the Farabundo Martí Front for National Liberation. The military front is also a coalition grouping followers of Marx, Lenin, Trotsky and disillusioned Roman Catholics. The divisions may make negotiations harder: The Farabundo guerrillas, who don't want the rebels' political-diplomatic commission, would not be out on the battlefields if they thought they could get what they wanted at a bargaining table. In rebuttal, earlier negotiating proposals by moderate leftists, many observers believe, the Reagan Administration has tended to weaken them while reinforcing the guerrillas as they build their own political structure in the Salvadoran countryside. Last week, hundreds of them were back in the supposedly pacified San Vicente Province.

Nevertheless, the incentive for talks is increasing. One advantage of pursuing a policy no one fully understands, the Reagan Administration is finding, is that it gives opponents wide latitude to fear the worst. Besides being pressed by Managua and Havana to seek a political solution, the Jefistas are getting less enthusiastic support from Europe, they concede. Mr. Zamora said attitudes were changing because of international pressure for negotiations, the improved standing of the guerrilla fighters and more receptiveness to talks by the El Salvador Government. A colleague was more blunt. "There had to be an answer to the (American) ships," he said.

The Salvadoran leftists are unanimous in their view of Washington's recent policies. They think a huge and dangerous game of cat-and-mouse is being played. They believe Mr. Kissinger wants to show force, but they recognize it could draw the United States into a long, unpopulated conflict with ill effects on domestic politics. That is indicated by the nervous reactions in the Senate last week to the American muscle-flexing. "Pretty risky business" was the comment of Charles McC. Mathias Jr., Republican of Maryland, and the Navy's shadowing of Soviet freighters. The leftists expect the President to push his moves to the limit, however. "Only when the choice is intervene or negotiate," said an opposition analyst, "will the United States negotiate."

The question remains, negotiate what? Confining talks exclusively to elections, the rebels say, would not work. "The problem is the repression, the disappearances, the death squads," a Salvadoran leftist said. "We would need a minimal opening for peace."

The rebels want to establish a transitional government, including leftist representatives, that would help create secure conditions for open elections. Washington rejects this approach as "power-sharing" that would "reward" guerrilla violence. But the rebels see little reason for hope the United States will help make El Salvador safe for normal political activity.

But the administration fears that, once given a foothold in a transition government, the leftists would seize power permanently and create a Salvadoran government even more staunchly anti-United States than the Nicaraguan regime. "I won't deny that ours may appear like a more radical revolution," said a leftist who is regarded as a moderate, "but it had to be more radical because we're fighting a class, not a Socialist." A political solution, he suggested, would mean a better than victory by either side. If the guerrillas win, he asserted, there will be fascism in El Salvador. If the guerrillas win, "they won't bring fascism, but let's face it: their blood has been shed. They'll have their price."

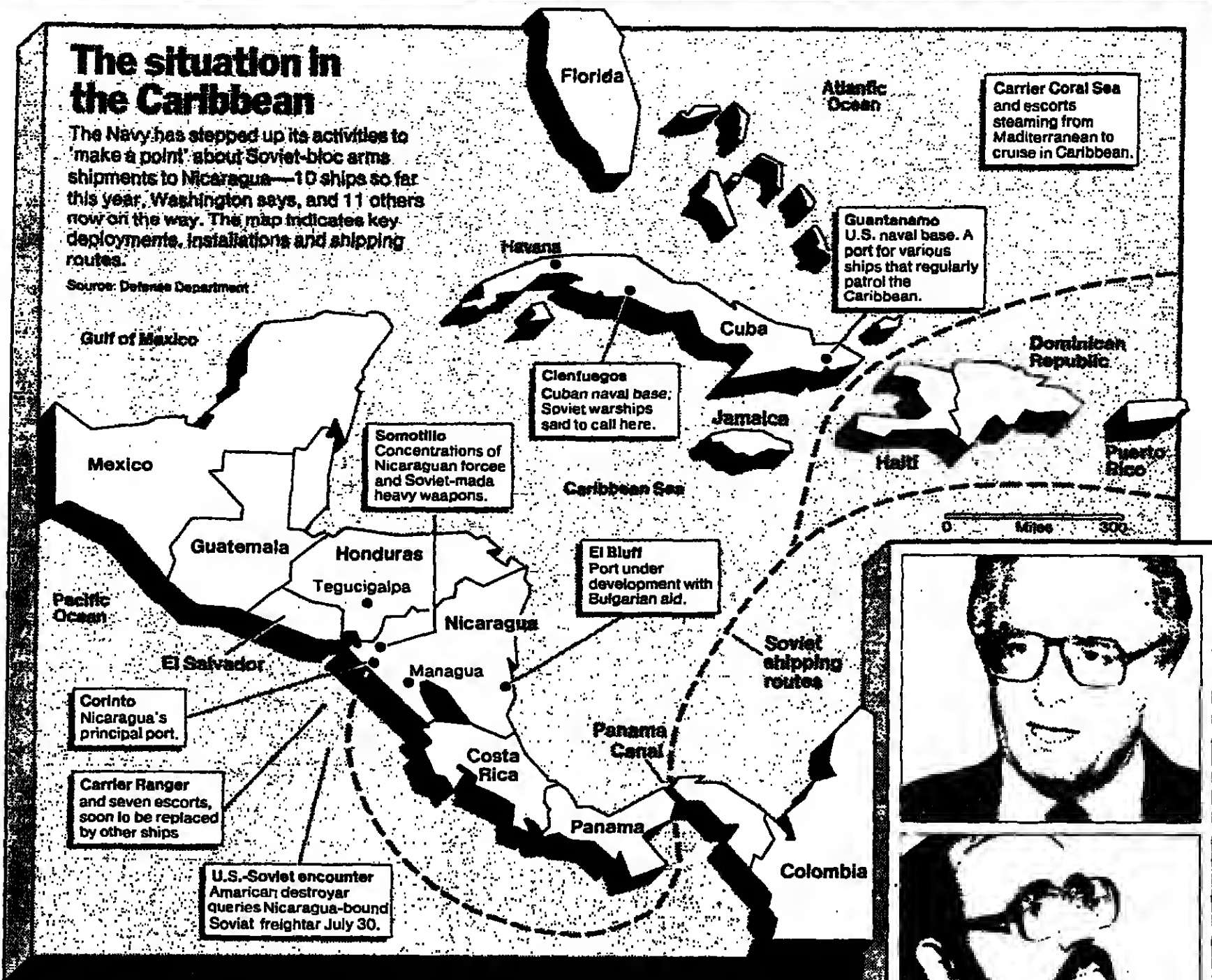
Interview: Richard Perle on arms talks

3

The situation in the Caribbean

The Navy has stepped up its activities to 'make a point' about Soviet-bloc arms shipments to Nicaragua—10 ships so far this year, Washington says, and 11 others now on the way. The map indicates key deployments, installations and shipping routes.

Source: Defense Department



Associated Press; Gamma-Liaison/Cynthia Johnson
Presidential envoy Richard B. Stone and
Rubén Zamora, a Salvadoran rebel leader,
met to explore peace talks.

Some Experts Would Bet The Soviet's Stake Is Small

By LESLIE H. GELB

PRESIDENT Reagan has repeatedly spoken of the spread of revolutions in Central America as ultimately inspired and even controlled by the Soviet Union. But to a range of scholars and Administration analysts, the Soviet stake in the region is small — except for the preservation of a Communist regime in Cuba — and Soviet policy is very cautious. The question of the Soviet role is important because much of the Administration's rationale for treating Cen-

tral America as "vital" to United States interests rests on the conviction that left-wing takeovers in El Salvador, Honduras and elsewhere will at some point lead to other "Cubas." The need to prevent a leftist victory in El Salvador stems from the belief that it could not be isolated, but would be part of the larger Soviet-American geopolitical equation.

The Administration's case goes beyond the ideological sympathy between the revolutionaries and Moscow. It contends that the revolutionaries could not exist as a significant factor in El Salvador and elsewhere in the region without Soviet political and material support. Officials maintain that even though Soviet aid is not neces-

Major News

In Summary

A New Team Makes a Try In Middle East

A new American team tried its hand at solving Middle East problems last week, and quickly learned at first hand how frustrating and violence-ridden the region can be. Taking up where Philip C. Habib left off, special envoy Robert C. McFarlane tried to extract from the Israelis a timetable for withdrawal from Lebanon that he could take to the Syrians.

Officially, the demand for the timetable came from the Lebanese Government, which feared a permanent partition of the country. In fact, however, the idea was first broached by Washington weeks ago in an effort to encourage Syria and the Palestinians to end their opposition to the agreement in May between Lebanon and Israel.

Israel, intent on redeploying its forces to more secure positions in the south, refused to commit itself to precise dates, although it reiterated its intention to make the redeployment the first stage of a total withdrawal. Yesterday Mr. McFarlane went to Damascus anyway. This was progress in itself since the Syrians had refused to meet with Mr. Habib.

The Israelis also repeated their demand that Syria withdraw from simultaneously, a condition for carrying out the May agreement. That accord has not yet become official because instruments of ratification have not been exchanged out of Lebanese fear that such a move would merely stiffen Syrian opposition.

The importance of removing foreign forces was driven home to Mr. McFarlane almost immediately

upon their arrival in Beirut. Seven armies were involved in clashes — Palestinian guerrilla factions fighting each other and the Lebanese Army in the central Bekaa, Israeli units dueling with Syrian forces in the southern Bekaa, Druse militia fighting Christian Maronite forces in the Shuf Mountains and Christian Phalangists fighting against eviction by Israeli, their erstwhile ally, from southern Lebanon. A calm was restored in the northern part of Tripoli, supposedly controlled by Syria but wracked by violence between Muslim factions, killed at least 20 people.

The American effort to make a new start in the Middle East extended to Washington as well. Richard W. Murphy, Ambassador to Saudi Arabia, was nominated to be Assistant Secretary of State for Near Eastern and South Asian Affairs. Mr. Murphy will replace Nicholas A. Veliotes who was named Ambassador to Egypt. (The Lebanese Army makes progress, page 2.)

More Heat Than Comfort

Few quarreled with Martin S. Feldstein's assessment of the week's last bit of hard economic news. The drop in the unemployment rate in July, to 9.3 percent from 9.6 percent was "spectacular," President Reagan's chief economic adviser said, "a clear indication that economic activity in the third quarter has gotten off to a very strong start."

Not everyone, however, was truly soothed. Coming on the heels of robust reports on retail sales, factory orders and building outlays, the jobless rate confirmed the heady pace of the recovery. But, as Federal Re-

serve Board chairman Paul A. Volcker said to a Congressional subcommittee last week, take that pace, the money supply's rapid growth and the Government's deficit-driven borrowing habit and "you begin to ask yourself if we're beginning to build in some forces that down the road are going to give us some problems."

Mr. Volcker's concern is inflation. Last week, the financial markets' worry was clearly Mr. Volcker. Interest rates are at their highest levels in a year and a run-up in the dollar was only momentarily quelled by the Reagan Administration's first protracted intervention in the world currency exchanges. Though Mr. Volcker assured Congress that "nothing has changed" since May, when the Fed moved to a somewhat more restrictive monetary policy to cap inflationary pressures, investor

The big banks were also a cause for apprehension. Expectation of an imminent increase in the prime rate, which has stayed at 10.5 percent for months, heightened after the House of Representatives approved by a mere six votes a \$8.4 billion increase for the International Monetary Fund. Senior Administration financial officials speculated that the banks have been holding off until passage of the increase, which could help less-developed countries pay overdue interest on their debt.

A half a percentage point rise in the prime would have an inhibiting effect in economic sectors showing widespread jobs gains, such as construction. The question is how long the rate stays up. That is also "the big question," as House Speaker Thomas P. O'Neill Jr. put it, about economic growth — "not the initial strength of current recovery, but its duration." Last week's report on New York City was a warning to the Northeast. Long because thousands of residents, encouraged by improvement in the national economy, returned to the labor market but were unable to find jobs, the city's unemployment rate jumped last month, to 16.6 percent from 8.9 percent. Nationally, the size of the labor force stayed stable.

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The World

Another Sphere, Another Show Of U.S. Force

The thousands of miles that separate Chad from Central America were bridged last week by the Reagan Administration's resort to military means to ward off threats. In the desert African state, the threat was seen as coming from an old Administration nemesis, Libya's Col. Muammar el-Qaddafi, who, despite his denials, was reported to be once again trying to extend his power southward by sending warplanes and armor to back a rebel force fighting to overthrow the pro-Western President, Hissen Habré.

The United States sent anti-aircraft missiles together with three advisers to show the Chadians how to use them and increased total aid from \$10 million to \$25 million. France, the former colonial power, also sent anti-aircraft equipment but resisted Mr. Habré's appeals for direct air support. At the same time, two American A-10s radar reconnaissance planes were flown to Egypt well ahead of scheduled maneuvers there to watch air movements over Libya and Chad. The pressure on Libya was augmented by powerful units of the United States Mediterranean fleet, including the carriers Eisenhower and Coral Sea, which maneuvered in waters near the Libyan coast. The Coral Sea is scheduled to make a

States trade, halting purchases of soybeans, cotton and synthetic fibers that had been running at more than \$300 million a year and announced reductions in American grain imports that totaled more than \$1.2 billion in 1982. But last week, after an appeal to President Reagan on behalf of wheat growers by Senator Robert J. Dole, Republican of Kansas, both sides relaxed a bit. Bill Brock, the President's special trade representative, confirmed an agreement had been reached that he said would permit textile imports, an \$800 million item last year, to rise 2 to 3 percent annually.

Mr. Brock expected the accord to mean resumed agricultural sales and general improvement in Chinese-American relations. President Reagan in his weekly radio address yesterday attacked "dead-end protectionism" and said the agreement would help both American farm exports and American textile producers. But while American clothing retailers were delighted at the prospect of more low-priced imports, recession-battered American apparel manufacturers called the agreement a disaster. United States textile and apparel imports from all countries increased more than 20 percent in the first half of 1983, reaching new highs.

Poles Declining Amnesty Offer

Post-martial law Poland as viewed from below still looked uninviting last week to 300 or so underground Solidarity activists who have spurned the Polish Government's two-week-old amnesty offer. Only 18 have come out of the cold, the Government admitted, and one on its lists, Krzysztof Wyszkowski, a former Solidarity editor, said even that total was exaggerated. "The Government is just lying about people surrendering, as in my case," he said, insisting that he had not turned himself in. He was arrested and released, he said, although he refused to sign a pledge to cease and desist.

Getting ready for the third anniversary of the founding of the independent union on Aug. 31, Solidarity's underground leaders proceeded cautiously. Last year, tens of thousands of demonstrators clashed with police, more than 4,000 were arrested and hundreds were injured. But this year the underground seemed willing to settle for a rush-hour boycott of public transportation and other low-risk demonstrations such as placing flowers on the graves of people killed in regime repression. "We exist and we fight," a Solidarity leaflet affirmed last week. "Let the streets be ours, the way they were when the transport workers went on strike (in 1980) in solidarity with the Gdansk shipyard."

The union's former leader Lech Walesa, displaying bravado by wearing a prohibited Solidarity T-shirt to his electrician's job at the shipyard, found the low-risk strategy "too soft for my liking." But Government spokesman Jerzy Urban said the underground leaders' statement "shows they have understood nothing." He urged them to accept the amnesty before the offer runs out in October lest they be sorry later on.

Italy Gets A Socialist

Bettino Craxi's calculations worked out last week as the 49-year-old Milan politician became Italy's first Socialist Prime Minister. But as head of the 44th Government since World War II, he may not enjoy the experience.

Mr. Craxi's withdrawal of support for the previous Government of Amintore Fanfani provoked an election last month in which he hoped to see the Socialists gain enough to advance his ambitions for leadership. The Socialists did go from 9.8 percent to 11.4 percent, not a formidable leap but enough to get him the top prize instead of the usual Christian Democrat. The country seemed down on Christian Democrats, who suffered the biggest electoral losses.

But they are still the biggest party and Mr. Craxi was obliged to include 16 of its members in his five-party cabinet as against only five Socialists besides himself. Most of the key ministries went to non-Socialists, including foreign affairs, defense and finance, virtually ensuring there would be no major shifts in Italy's middle-of-the-road policies.

There's likely to be little Socialist largess. Mr. Craxi's party campaigned on a big spending program to put the 9.9 percent unemployed back to work, but the new Prime Minister will have to stress austerity to get the huge budget deficits under control as well as inflation running at more than 15 percent. Mr. Craxi may find foreign relations more congenial; southern Europe is now a Socialist stronghold with Portugal, Spain, France and Greece, as well as Italy, under Socialist leaders.

Henry Giner
and Milt Freudenheim



President Hissen Habré

similar military point later this month off Nicaragua when it joins other units in naval exercises.

Warning of a danger to Egypt and the Sudan as well as to Chad, White House spokesman Larry Speakes said "it is important to the United States that its allies and friends be able to count upon its assistance" against Libyan aggression.

Close to half of Chad's 4.7 million people are Moslem Arabs who dominate the north and have been in constant conflict with animist and Christian groups in the south. Libyan troops went to help the Moslems in 1980 and Colonel Qaddafi tried to unite the two countries in 1981 but under French and African pressure he was forced to withdraw his forces. Ousting President Goukouni Oueddei, Mr. Habré took over in 1982 but now faces a renewed threat from the Moslems under Mr. Oueddei, particularly against the northern town of Faya-Largeau, which Chad charged had suffered air strikes by Libyan MIG's. A column of Libyan armor was reported to be advancing on Faya-Largeau while two other towns were reported lost to the rebels.

Libya reacted to the American presence off its coast by threatening to sink any ship that ventured into the Gulf of Sidra, which it considers territorial waters.

As if to give substance to Washington's charges of a Libyan plan to destabilize Africa, more than a dozen persons were reported to have died in a coup that returned a pro-Qaddafi army officer to power in Upper Volta, a former French colony in West Africa. Capt. Thomas Sankara, ousted as Prime Minister last May by President Jean-Baptiste Ouédraogo because of his ties with the Libyan leader, in turn ousted Mr. Ouédraogo.

China Trade Back on Track

Chinese textile and apparel exports to the United States have been taking too many great leaps forward, as American manufacturers see it, but in seven months of difficult bargaining to set ceilings, Peking hung tough. It squeezed United

Government Stability Could Depend on Military Preparedness

Lebanon's Army Working Into Shape



President Amin Gemayel reviewing Lebanese Army troops.

By THOMAS L. FRIEDMAN

BEIRUT — For the past year the Lebanese Army has been quietly building its strength almost unbeknownst to the Lebanese people. Training in empty lots and sandpits, carrying out live fire exercises in secluded mountain valleys and unobtrusively recruiting teen-agers from the country's former militias, the army has managed to double its effective manpower in 12 months and now tops 33,000 men. "I don't think many Lebanese realize just how big their army has become," remarked Col. Arthur T. Fintel, the American officer helping to supervise the modernization program. "They have been so successful in recruiting that they are bringing in men faster than we can train and equip them."

Size of course is hardly the only criterion by which to judge an army — although in a small and fractured nation like Lebanon sheer numbers can go a long way. The army's more elusive qualities of leadership, esprit de corps and commitment to stand and die, not for the family, village or religious group but for the nation as a whole, remain to be tested. That test, however, could be less than 30 days away. By then, the Israeli Army is expected to have begun withdrawing from roughly 20 square miles in the Shuf mountains southeast of Beirut and the Lebanese Army will have to replace it as peacekeepers and referees between feuding Lebanese Druse and Maronite Christian villagers. If the army can successfully pacify the Shuf, there just may be hope for putting Lebanon's broken map back together in one piece. If the army fails, then Lebanon will probably be condemned to a future of fiefdoms in which the central Government and army will be just one more militia.

Those Western defense experts who know the Lebanese Army best feel that on a purely military level it has the muscle and officer corps to deploy effectively in the Shuf. Its new commander, Gen. Ibrahim Tannous, is widely respected by military analysts here and the sensitive manner

in which he has cultivated support for his army among all religious communities has made him one of the most popular men in Lebanon.

There are other reasons for a measure of confidence about the army. To begin with, it has already been challenged by small militias in Beirut — most notably by Shiite gunmen in a shootout on July 15 over an abandoned Jewish school — and each time it has handled itself with cool professionalism. Although the vast majority of the army's enlisted men are poor Shiite Moslems, they did not balk for a second at rooting out their co-religionists from illegally occupied property in the July 15 incident. To make sure the fighting was contained, the army sealed off the rest of the city with a show of armored force that clearly intimidated Beirut's still prevalent teenage gun-slingers. Significantly, there was an unmistakable feeling in the air on that day that people were pulling for the army, maybe because it has come to represent to Beirut the opposite of everything they have had to live through for the past eight years: undisciplined violence at the hands of gang leaders who answered to no one but themselves or foreign powers.

The army's military planning for deploying in the Shuf is already completed, and there is regular liaison with Israeli chief-of-staff Moshe Levy to coordinate the Israeli withdrawal with the Lebanese deployment. The plan calls for two fully trained Lebanese battalions of some 6,500 men to take up positions at the various hot spots throughout the mountain region. According to the army's plan, the Druse and the Maronite Phalangist militias would each have to remove their heavy weapons. The Phalangists would be asked to pull theirs out of range of the Shuf to north of the Ibrahim river, while the Druse would be asked to put theirs under the observation of the Lebanese Army. All militiamen not from the area — notably at least 1,500 of the 3,400 Phalangists — would have to leave, according to army sources. Druse and Phalangists would be allowed to keep small arms in their homes for protection, but neither side could maintain barracks or go on

the streets in uniform.

So much for the army's basic plan. How smoothly it can be implemented depends very much on President Amin Gemayel's ability to get the warring Maronite and Druse factions to agree to it and thus clear the way for the army's entry. At the moment, the prospects for such an agreement are not good, according to Lebanese officials, and it is possible the army may have to enter the Shuf without any prior understanding between the two sides. President Gemayel has told both factions that he is ready to address settlement of all their security concerns. The problem now, Lebanese officials say, is that the Druse leader, Walid Jumblat, has raised his demands from purely security matters to requests that a whole new agreement between Lebanese Moslems and Christians for power-sharing in all of Lebanon be worked out, before the army is deployed. The Gemayel Government believes such a national debate would be dangerously explosive at this time and that the priority now should be to foster a quiet and simple reconciliation. Mr. Gemayel's dilemma is that he is counting on the army to go into the Shuf and calm the area so that any larger debate on political reforms can take place in a rational atmosphere. But if the army goes into the Shuf without an agreement beforehand, it could get caught in the middle of the Maronite-Druse blood feud — a virus that could eventually infect and divide its own ranks, as it did during the 1975-76 civil war.

"In purely military terms the army is capable of doing the job," said an American adviser to the Lebanese Army, summing up the situation with the clarity and simplicity of the newcomer. "But if there is no political settlement in the Shuf before the army goes in, it could face protracted battles with one side or another. This could become difficult to handle because over the long run you can't hold the Shuf together by force alone. There has to be a settlement. If these people can't learn to work together to solve their problems there is, nothing the Americans are going to be able to do for them."

South African Parliament's Approval of Reform Is Only a First Step

Botha's Attempt to Dilute White Rule May End His

By JOSEPH LELYVELD

JOHANNESBURG — The show was billed initially as "Healthy Power Sharing." According to the script prepared by Prime Minister P.W. Botha, it would astonish the world and achieve a catharsis of interracial understanding in South Africa without disturbing existing power relationships in any fundamental way.

Mr. Botha planned to use the governing National Party's overwhelming majority to push through his plan to bend the political color bar by giving two brown-skinned minorities, the mixed-race coloreds and the Indians, a subordinate role in the national Government. Then he himself was to be installed in a newly created presidency, with powers that were potentially authoritarian and a cabinet that would for the first time in South Africa's history include nonwhite faces.

Instead, the drama dragged on and the audience's attention wavered. To allay the fears of his own supporters, Mr. Botha had to stress the point that his vaunted "reform" made no provision, now or ever, for black participation in the Government; in so doing, he seemed to be telling the world that, despite the fanfare, the constitutional facelift added up to nothing much.

However, now that most South Africans are thoroughly bored with the subject of the new constitution, the inchmeal process is about to get interesting. It is possible, but not probable, that it may yet become altogether too interesting for the Prime Minister's standpoint, leading to his own downfall as a surprise ending. Parliament will convene for an extraordinary session this week to give its final approval to the constitutional plan, under which it would be reincarnated with three segregated chambers — one each for whites, coloreds and Indians — that supposedly would have self-determination over each community's affairs and a need to seek consensus on matters of common interest.

The outcome in Parliament is certain. But the decision taken there will need to be ratified by white voters in a referendum, probably before the year's end. The referendum wasn't in Mr. Botha's original script. In fact, it was something his supporters thought he needed to avoid, so as

not to deepen the strains in his Afrikaner political base. But it was offered as a concession in the midst of an especially tough by-election earlier this year. Now it appears that the outcome in the referendum could be excruciatingly close.

For Mr. Botha, there will actually be two referendums, the official one in which all white votes

rightwing, which has now rejected the governing party's leadership. The argument that nothing much is at stake in the constitutional debate overlooks the rift it has left among Afrikaners, whose bloc vote has been the basis of political power in this country since 1948. The rift is felt not only in white party politics — where a breakaway faction from the governing party, the new Conservative Party, has emerged as a threat, especially in rural areas — but throughout the intricate network of cultural and religious organizations that has underpinned Afrikaner power.

Most recently, it showed up even in the Afrikaner Broederbond, a secret society that has had prime responsibility for more than half a century for the maintenance of Afrikaner unity. Earlier this month the Broederbond chairman, a theology professor from Pretoria University named Carel Boshoff, was forced to step down when it became evident that he was actively opposing Mr. Botha on the constitution. The resignation of Professor Boshoff, a son-in-law of Hendrik Verwoerd, a martyred Prime Minister who was slain in 1966 in Parliament by a white South African, did not seem to guarantee the Broederbond's support for Mr. Botha.

Instead, the shadowy organization seemed to be conserving its waning but still far-reaching influence for one last try at healing the rift after white voters have been heard on the constitution. Much will depend on what questions the voters are asked, but once the campaign begins the constitution is certain to be assailed not only from the right by the Conservative Party but also from the left by the relatively liberal Progressive Federal Party. Both will argue that it is potentially dictatorial and likely to inflame rather than forestall racial conflict.

If Mr. Botha and the constitution survived that test, the new system would still have to be sold to at least some of its supposed beneficiaries, the coloreds and Indians. Unlike the whites, they have not been promised referendums, probably because the Government knows the proposed constitution could not get majority support from either group. But successful boycotts by parties and community groups that want nothing to do with a white-dominated system could also undermine the new-old order Mr. Botha is fostering. The question of when it will come to pass is still unanswered. Increasingly, the question of whether it ever will is also being raised.



Prime Minister P.W. Botha

will be equal and the Afrikaner one, which will have to be estimated on the basis of the official returns. Winning the official referendum with a majority of English-speaking votes and a minority of Afrikaners — who account for about 60 percent of the white population — would be enough, technically, to put the new constitution in place. But it would be a stinging setback for a National Party Prime Minister, one that could prove fatal both to himself and his constitution.

That, at least, is the hope of the Afrikaner

INTERVIEW: Richard N. Perle

Just How 'Serious' Are the Geneva Arms Negotiations?

DESPITE sharp words over Central America and Chad, Soviet-American relations have been showing signs of improvement. A new agreement will raise grain exports to Moscow and last week, Secretary of State George P. Shultz urged relaxation of export controls on oil and gas equipment in effect since the jailing of two Soviet dissidents and tightened after Russia invaded Afghanistan.

But on the paramount issue of arms control negotiations, the Administration's seriousness has been questioned in Congress (where Republican senators prevented a committee vote on a nuclear weapons

freeze) and abroad. As the Geneva talks on reducing strategic arms were recessed until October, Soviet negotiator Viktor M. Karpov accused Washington of "marking time." His American counterpart, Edward L. Rowley, said there had been forward movement but agreement remained "a long ways off."

Charges of lack of seriousness damage the American negotiating position, Richard N. Perle, the Assistant Secretary of Defense for International Security Policy, insists. He has testified, however, the Administration would go ahead with its new MX missiles, B-1 bombers and Trident submarines even if an

arms reduction agreement is reached with Moscow.

Mr. Perle, a key architect of Administration arms control policy, is known as a hard-liner. He was formerly an aide to Senator Henry M. Jackson and was instrumental in blocking ratification of the SALT II treaty. Leslie H. Gelb of The New York Times Washington bureau recently interviewed Mr. Perle on issues in the current talks. The first question was whether significant progress had been made on strategic arms reductions (Start), covering intercontinental weapons, or on intermediate-range nuclear missiles (I.N.F.) in Europe. Excerpts follow.

MR. Perle. We have sorted out our own negotiating objectives and developed a strategy to implement them, and in the case of I.N.F., in close and harmonious consultation with our allies. But if progress is defined as Soviet movement toward the American proposals, while there has been some slight progress, it is not yet significant. On I.N.F., the Soviets have not made any movement toward the underlying NATO position.

Q. But the White House and State Department have repeatedly said the Russians are negotiating seriously. What does that mean?

A. The Soviets are conducting the negotiation in a business-like manner. We are hopeful that as the deployment of Pershing 2 and ground-launch cruise missiles draws near, and as the full long-term impact of our strategic modernization takes shape in the minds of the Soviet negotiators, we will see more progress.

Q. How have they indicated seriousness?

A. In Start, the Soviets have proposed levels of some weapons that are below SALT II levels. Indeed, in some aspects, the Soviet proposal resembles the proposal (for deep cuts) President Carter made in 1976, although I would hasten to add that other elements in the Soviet proposal are more severe than SALT II.

And there are ambiguities.

Q. In terms of numbers, it looks simply like the next step after SALT II — nothing much beyond that?

A. In SALT II terms, 1,800 is certainly better than 2,250 — the numbers, respectively, of the current Soviet proposal and the SALT II proposal for strategic nuclear delivery vehicles, to give one example.

Q. But if they agreed on 2,250 in SALT II, further reductions seem natural and the 1,800 figure does not seem surprising. It's the kind of proposal they could have made four years ago.

A. It is nevertheless a proposal that was made a few years ago, and rejected by the Soviets. So it's movement in the right direction, although, because of other features of the Soviet proposal, we are not yet confident we're on the path to an agreement.

Q. Almost every time the Russians make a statement, someone in the Administration will say, "There, you see, the Soviets are negotiating seriously." Why?

A. The problem is one of definition. In I.N.F., the Soviets have not been negotiating seriously. These characterizations are not terribly helpful. We believe we have been negotiating seriously since we have put forward proposals which, if accepted, would lead to greater stability and significantly reduced levels of weapons. We



Technicians adjusting re-entry vehicle of an MX missile.



Woodfin Camp/ny McNamee
Richard N. Perle

are in a bargaining situation in which it is natural that any final agreement will reflect both Soviet and American preferences. The process of reconciling those differences. The characterization of the Administration as unserious is both unfair and damaging to our arms control efforts. I believe it arises from a confusion between negotiation toward one's objectives and concessions, movement, for their own sake.

Q. You just said we're in a bargaining situation where we have to try to encompass preferences of both sides. Doesn't that involve concessions on our side?

A. Sure. We have made some and it is reasonable to expect we will make more. What we've too often done in the past is to propose to the Soviets a succession of arms control provisions — each one more generous than its predecessor. Concessions made by the United States should be made in recognition of concessions by the Soviet Union. In the absence of Soviet concessions, we ought not to make two consecutive proposals.

Q. What key concessions must the Russians make now in the talks on medium-range missiles in Europe?

A. Recognition that if there are going to be medium range missiles deployed by the Soviet Union that can reach deep into NATO territory, there will be American missiles based in NATO that can reach deep into Soviet territory. Thus far, the Soviets have offered proposals that would leave the United States with no weapons Europe compared to the more than 1,000 Soviet warheads they now have deployed on their SS-20 medium-range missiles. This is unacceptable.

sties in Europe, and I think they have concluded that they are now firmly on the path to deployment, in the absence of an agreement. While the NATO plan calls for deployment of 572 weapons, the Soviets can have no assurance that 10 or 15 years from now there will not be an indication on the part of the Western allies to deploy even more. It is therefore very much in their interest to obtain a low and equal ceiling.

Q. Why should they give up superiority in medium-range missiles for equality defined as we want it?

A. The question is: In the absence of an agreement, can they continue to maintain in Europe and around the world that they are a force for moderation?

Q. Do they care whether they're considered a force for moderation?

A. Their European diplomacy is based on projecting an image of moderation; their current negotiating behavior is inconsistent with that image.

Q. But what incentive is there other than, as you say, their desire to appear moderate to the Europeans and their concern about the situation 15 years hence?

A. We do not have the strongest of all possible hands.

Q. What concessions must they make in Start?

A. First, and most important, the Soviets have to recognize the strategic reality that not all weapons are alike, that some are destabilizing, others potentially stabilizing, that the United States has well-justified concerns about the Soviet potential for a first strike, and any agreement that even hopes to achieve greater stability at lower levels of weapons will inevitably entail reductions in the very substantial Soviet advantage in destructive potential.

Looking Beyond the Counterparts

Q. What is absolutely, minimally necessary to achieve a Start agreement?

A. The Soviets will have to agree to reductions in the most destabilizing weapons — land-based intercontinental ballistic missiles, and particularly those land-based ICBM's whose combination of numbers of warheads, yield and accuracy gives them the capability to destroy the critical military installations and forces on which our deterrent capability depends.

Q. But in bombers, cruise missiles, submarines, submarine-launched missiles, we're better off than they are. What incentive do the Soviets have to abandon their one advantage while we retain our advantages?

A. I don't agree that the balance of advantages is entirely on the American side with respect to those other systems. Our advantages in submarine weapons are significantly vitiated by the potential of the Soviet SLBM force to be used in a first strike, in conjunction with a first strike against the bombers.

Q. But no one in the Pentagon disputes that our submarines, our submarine-launched ballistic missiles, our cruise missiles or bombers are superior to their Soviet counterparts?

A. It's not always the Soviet counterpart one wants to look at. The proper measure of our bomber force is not the Soviet bomber force, but rather, Soviet air defenses. And conversely, the proper measure of the Soviet bomber force must take account of the fact that we have virtually no air defense, and therefore, any aircraft that could reach the United States could be expected to have a substantial likelihood of destroying its target.

Q. The question remains — what incentive do the Russians have to give up their one clear advantage?

A. We have made proposals in which both sides are being called upon to sacrifice forces. From the point of view of the Soviet planner, the United States has, entering production, the new ICBM, MX, with a further ICBM in development, the Midgetman. The B-52's are going to be equipped with air-launched cruise missiles. B-1 is in production. An advanced-technology bomber will follow B-1. Trident I is being deployed, to be followed by Trident II with the D-5 missile. We are beginning intensive development of cruise missiles of various types.

The Soviets have to reckon, as do we, that we would both be better off with an agreement that constrained the growth of strategic forces.

Soviet Land-based Advantage

Q. But aren't we asking the Soviet Union to make substantial reductions in its one area of advantage — land-based missiles — while we would still deploy all these new technologies?

A. But in limited numbers that for the first time would not permit significant expansion. The agreements of the past have all (permitted) significant growth of strategic forces. SALT I, which at the time was described as a freeze, nevertheless permitted massive increases of their forces from roughly 1,500 warheads on ICBM's in 1972 to over 6,000 today. The Soviet advantage is so large in ICBM's that they are being asked to give up part, but not all, of that advantage.

Q. Their incentive to sacrifice in Start is that if they don't, the range of weapons systems we can deploy could give us superiority?

A. No, the issue is not superiority, which we have said repeatedly is not our objective.

Q. But if these new weapons systems would not give us superiority, what does the Soviet Union have to fear from them?

A. They would close the very significant gap which has developed, and the Soviets have no way of anticipating whether these several programs, all of which would be in the production phase, would expand beyond our present program. With the Reagan strategic modernization plan, the Soviets can no longer assume we will not regain the momentum necessary to destroy the balance.

Q. But that's the most we can do to them? After a decade or more of across-the-board modernization, we could close the gap and we would not face them with the prospect of American superiority?

A. We don't believe superiority is achievable because movement toward it will elicit movement from the Soviets to counter it.

We would both be better off if, instead of the repetition of the past decade which saw significant increases, we were to agree to significant reductions.



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The Nation

Administration Grinds Its Gears On Rights Issues

The White House stepped up its counteroffensive on civil and women's rights last week in a series of moves that included a few stumbles and a self-inflicted wound.

Spokesmen dispatched to the National Urban League convention in New Orleans seemed to contradict each other, a Justice Department legal brief appeared at odds with stated Presidential policy, and in full view of a women's group Mr. Reagan shot himself in the foot.

At the Urban League convention, John E. Jacob, the group's president, said Mr. Reagan had "done enough damage to last a lifetime." Later, William Bradford Reynolds, the Assistant Attorney General for civil rights, and Clarence Thomas, chairman of the Equal Employment Opportunity Commission, arrived to defend Mr. Reagan's record. Mr. Reynolds said the Reagan effort had been "vigorous and uncompromising," but Mr. Thomas didn't seem to feel that way. He said the issues should not be "tossed about as oversimplified campaign slogans."

In Atlanta, meanwhile, the President told members of the American Bar Association that it was "hogwash" to suggest that his proposed appointees to the Civil Rights Commission — relative conservatives — would undermine the commission's independence. Mr. Reagan, who was reportedly leaning toward supporting a bill to make Martin Luther King Jr.'s birthday a national holiday, also defended his record on women's rights. Two days later it was disclosed that the Justice Department was seeking to limit the application of a law against sex discrimination in education.

That move brought fresh denunciation from women's groups already smarting from an earlier Reagan comment. In apologizing to a women's professional association whose White House tour had been

inadvertently canceled, Mr. Reagan said, "If it wasn't for women, we men would still be walking around in skin suits, carrying clubs."

For Whom the Phone Rings

Ma Bell, as the American Telephone and Telegraph Company is

known, made it official last week — she will not only give up her children but will also, with some reluctance, change her name. In agreeing not to fight court-imposed modifications to its antitrust settlement with the Justice Department, A.T. & T. cleared the way to dismantle the Bell system on Jan. 1, a decade after the Government filed suit. It appeared unlikely that new hitches would develop.

Under the settlement, 22 local operating companies will be spun off to handle 80 percent of the nation's local telephone service under the Bell name. A.T. & T. will continue to sell long-distance service. Bell Laboratories, the only A.T. & T. domestic operation that will keep the Bell name, will expand into fields from which it was previously barred.

The name change appeared to have been the main sticking point among several changes that Federal District Judge Harold H. Greene ordered last month in the settlement that was reached in January.

Charles L. Brown, the A.T. & T. chairman, said it was "the start of a new era in telecommunications."

Some feared it would start with a strike by the Communications Workers of America, whose contract was to expire today. Union leaders last night said talks were stalled and threatened to pull 525,000 A.T. & T. workers off the job.

It's Lonely Being No. 2

Playing second fiddle in politics, a difficult task under the best of circumstances, is just about impossible with an instrument that has no strings. The Governor of Louisiana, having unstrung his lieutenant, cutting off his and his staff's salaries.

The main issue seems to be that Gov. David C. Treen, the state's first Republican Governor since reconstruction, wants to demonstrate fis-

cal toughness even if it has to be at the expense of Democratic Lieut. Gov. Robert L. Freedman.

The scrap came to a head last month when Mr. Treen, in what he said was a necessary cost cutting measure, trimmed Mr. Freedman's \$382,000 office budget by one third. Mr. Freedman made an end run and had the Legislature restore his full budget. Governor Treen then vetoed the entire appropriation, including Mr. Freedman's salary.

Mr. Freedman, who last week said the Governor had stopped returning his calls, has been reduced to scuffling for legislative handouts to pay the five remaining members of a staff that once numbered 14. A court has ruled that he can draw his own salary directly from the State Treasury, but he faces a tough legal fight to get his staff budget restored.

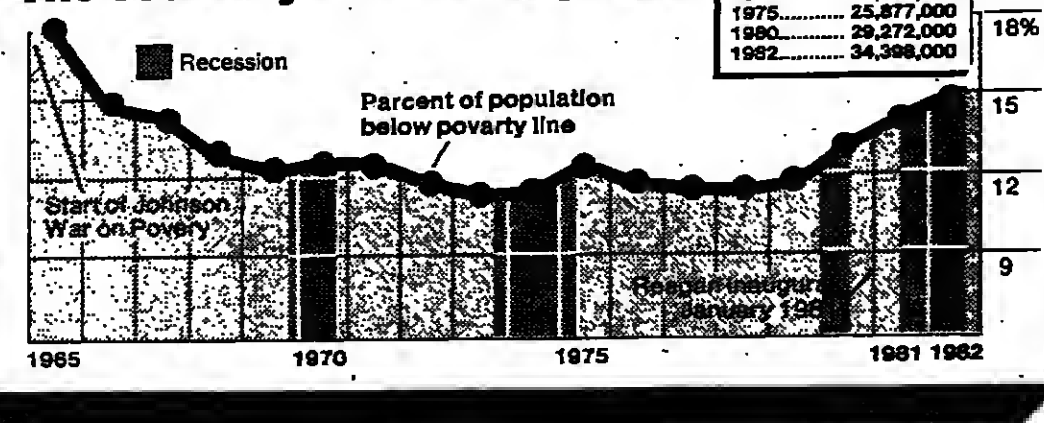
Carlyle C. Douglas,
Caroline Rand Herron
and Michael Wright

Down-and-Out And Reagan

In Washington last week, the issue of poverty and much of the effects of the economy on the number of Americans officially classified as poor. The numbers in an annual Census Bureau survey spoke for themselves. In 1982, more than one in seven were living below the official poverty line; the rate for all people was the highest since 1965, and more than 45 percent of all poor families were headed by women.

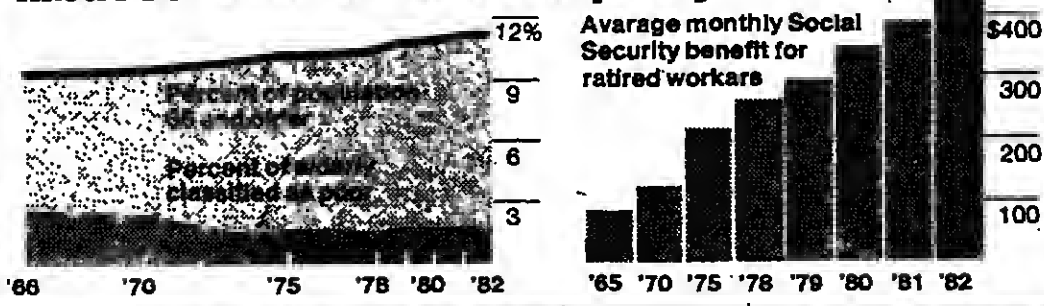
The White House argues that the poverty rate, which has been rising for four years now, is overstated because noncash benefits, such as food stamps and Medicaid, are not counted as income. It also showed itself sensitive to a near-term importance of picking compassion. After two and a half years of promoting deficit cuts, including nutrition, President Reagan created task force to study hunger. The official poverty line was finally computed on the basis of a family's food needs; it is adjusted each year for price changes.

The economy affects the poor...



Year	Number of people below poverty level
1965	33,185,000
1970	25,420,000
1975	25,877,000
1980	29,272,000
1982	34,388,000

...but so does Government policy

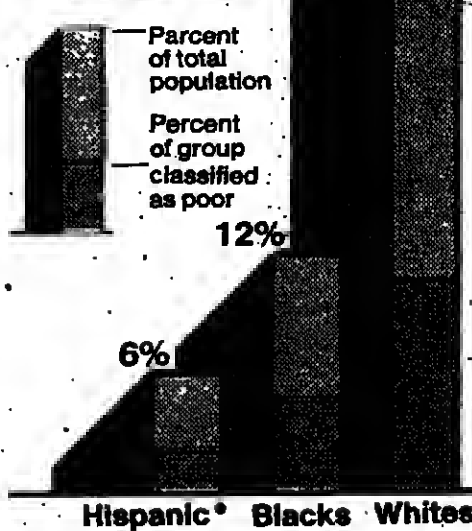


Sources: Bureau of the Census; National Bureau of Economic Research; Social Security Administration

What's poverty? Some definitions in 1982

Family of 4 with cash income under \$9,862
A person 65 or older, not living with family, income under \$4,826

An unequal distribution



*May be of any race

Dole Warned Last Week That Deficits Were the 'Most Serious Domestic Concern'

As Lawmakers Head Home, Economic Fears Tag Along

By STEVEN V. ROBERTS

WASHINGTON — In the summer of 1981, Congress passed President Reagan's economic program and rode home on a jetstream of fiscal optimism. During their recess, the lawmakers were peppered with alarming news about rising interest rates. When they returned to Washington, they were not nearly so euphoric.

As the legislators left town last week, many were hoping that their colleagues would receive another dose of sobering news. Though the bright summer of 1983 has been shadowed by huge deficits and rising interest rates, Congress has shown a distinct lack of eagerness to take the political risks dealing with them would entail. "Everybody is sort of saying that they'll wait for everybody else," said Senator Lawton Chiles of Florida, ranking Democrat on the Budget Committee. "I'm hoping," he explained, "that people hear enough during the recess to realize we've got to do something." Representative George Miller, a California Democrat, added, "It's still clear a lot of people are not making it, and that's what a lot of members are going to hear."

Before the five-week break began last week, several legislators tried to sound the alarm. Senator Bob Dole, the Kansas Republican who heads the Finance Committee, took the floor to declare that budget deficits, and their potential impact on the recovery, constituted "the most serious domestic concern facing the nation." Then he repeated his call for a summit conference of leaders from both parties to craft a package of new taxes and spending cuts. He got the speech, he said, because recent economic news "scared me." His fears were shared by Senator Max Baucus, a North Dakota Republican who sits on the Budget Committee. "This recovery," he said, "is a tent, newly hatched thing. It has to be treated with a great deal of concern."

The day after Mr. Dole's address, a bipartisan group of House members advanced one proposal for reducing the deficit. Automatic cost-cutting increases in Federal programs that are not specifically aimed at the poor, mainly pensions and Social Security, would be reduced by 2 percent. Similarly, a bill passed as part of the Reagan economic recovery tax package, that widens income tax brackets to keep pace with inflation, would be modified to increase tax collection by 2 percent.

But the leaders of the bipartisan group recognized the political truism that guided Congress through its rocky deliberations earlier this year on Social Security and the MX missile. On some issues, only a coordinated effort by leaders from both parties can produce consensus. And there is a general feeling on Capitol Hill that President Reagan, who has remained aloof from the budget process since the spring, would have to take the lead in the deficit-reduction drive.

So far, Congress's record on economic issues is mixed. The lawmakers did send four appropriations bills (out of a total of 13) to the White House for fiscal year 1984, plus a supplemental spending bill for the current fiscal year, ending Sept. 30. All were modest enough to gain the President's signature. Mr. Reagan has not had to make good on his oft-repeated threat to battle Congress by veto over spending levels.

Profiting From Peace

That is mainly because the Democrats know they cannot override a veto, and they have no desire to give President Reagan a chance to assail them yet again as the party of "tax and tax, spend and spend." But both sides have profited from the Democrats' decision to avoid confrontation — President Reagan because the spending bills have remained relatively small and the Democrats because they deprive the White House of a chance to run against Congress.

A veto fight is still possible, however. House Democrats last week pushed through a \$4 billion program to provide health care for unemployed workers over the next two years. The nine appropriations bills that remain to be passed when Congress returns include the more ex-

pensive measures, such as defense and health and human services. In particular, the Democrats see a major chance for political advantage by passing a robust bill for education that would force Mr. Reagan, who has stressed the education issue, to make an unhappy choice — either to sign the bill and beef up education programs or to reject it and make himself vulnerable to charges of hypocrisy.

The budget resolution passed last spring mandates a cut of \$12 billion in social programs. But Senator Dan Quayle, Republican of Indiana, said, "From a political point of view, spilling blood in an election year is not worth it." Politically, it is even more difficult to make cuts in automatic benefit programs, called "entitlements," of the sort proposed by the bipartisan Congressional group. Mr. Quayle noted that many middle-class families receive money from Social Security or veterans' programs. As the Indiana Republican put it, "If you ever go against the middle class, you've had it."

It is just as tough to raise taxes. Representative James R. Jones, the Oklahoma Democrat who organized the bipartisan proposal, acknowledged that "we have a relatively narrow time-frame to deal with substantive issues before the election is in full swing." According to Senator Dole, the White House "has concluded it's worth the gamble" to count on a sustained recovery and not take any action to deal with deficits. Unless Congress hears warning signals from home, it is likely to make the same bet. "The mood in the cloakroom is that things are looking up," said Representative Dick Cheney of Wyoming, third-ranking Republican in the House. "Unless there's a conviction that the economy is going into the can, we won't be willing to make tough decisions."

In Mississippi, Who Voted Meant as Much as Who Won

By E. R. SHIPP

JACKSON, Miss. — Mississippi, according to James H. Meredith, the man whose enrollment at Ole Miss required the intervention of President Kennedy and the National Guard, "still has that magic name" when it comes to questions of racial friction and obstruction of the voting rights of blacks.

Perhaps at no time in recent years had that been more evident than in last week's Democratic primary for state and local offices, including the governorship. "Nation's Eyes on Primaries," proclaimed a headline in one local paper without exaggeration.

But attention from outside the state wasn't exactly focused on the main contest. In a campaign notable for its lack of differences on issues, Evelyn Gandy, a 30-year veteran of state politics, finished first in a field of five gubernatorial candidates, slightly ahead of Bill Allain, the state's Attorney General. The two will face each other in a runoff on Aug. 23. Should Miss Gandy win, it would be the highest any woman has ever reached in Mississippi politics. In November, the Democratic nominee will face Leon Bramlett, who is trying to become the state's first Republican governor since Reconstruction.

While the three leading gubernatorial candidates played down racial disharmony, racial issues were to some extent overshadowing their campaign as Mississippi became a test of the Reagan Administration's commitment to enforcing the Voting Rights Act. It was also a test of black voter strength for those seeking indications of the influence blacks might wield in the 1984 national elections. And, not insignificantly, it was a test of the popularity of the Rev. Jesse L. Jackson, president of the Chicago-based Operation PUSH. He has been touting the



Voter in Mississippi primary last week watched closely by an army of Federal observers.

idea of a black Presidential candidate in 1984 and has said that "a viable black candidate" should be able to win seven Southern states on the strength of black votes.

The Justice Department maintained that the Reagan Administration's involvement in Mississippi was routine and that the decision to send 322 Federal observers, 16 lawyers and 8 examiners was an example of how it is enforcing the Voting Rights Act.

William Bradford Reynolds, Assistant Attorney General for civil rights, reminded the National Urban League of the action at its convention in New Orleans last week. He said the Administration was responding "every bit as vigorously" as previous ones.

In Mississippi, however, the Government's motives were impugned by black leaders who said they had heretofore seen no particular concern for civil rights on the part of the Reagan Administration.

A Token Gesture?

"They don't give a damn about improving civil rights," said Henry J. Kirksey, a state senator who is black. "They are doing something to influence blacks to have a more favorable view of the Republican Party."

He contended that sending Federal officials to eight counties was a token gesture that would do little to overcome either the fear of voting that many rural blacks are still said to have or the obstacles placed in their way by their bosses on the state's large plantations.

"There is nothing the observers can do to get blacks to the polls who are afraid to go," Mr. Kirksey said. "If the employer decides he is going to take his employees out early in the morning and that they are going to work all day long, not a damn thing can be done."

Neither was Mr. Jackson entirely satisfied. Though it was he in large measure who drew attention to Missis-

sippi last June when he launched his Southern Crusade to register blacks, he said that "Just to focus on Mississippi is selective enforcement — we need comprehensive enforcement of the Voting Rights Act."

There was also disagreement about just how many counties required Federal monitors. Mr. Jackson sought help in 35, but Mr. Reynolds decided on eight. Mr. Jackson and his aides visited some counties where there were no monitors and said they found irregularities — names missing from polling books, jammed voting machines — and vowed to challenge the elections.

Still, most black observers were pleased by the turnout, which was spurred by weeks of visits by civil rights leaders and politicians. Dr. Leslie B. McLemore, a professor of political science at Jackson State University and state director of PUSH, said that more than 80 percent of registered blacks cast votes. This, he said, was "a very high turnout," particularly in light of Election Day weather — it rained in many areas — and the fact that 17 counties were prevented by a Federal injunction from conducting elections for countywide posts.

The combined efforts of Mr. Jackson, the National Association for the Advancement of Colored People, the Southern Christian Leadership Conference and local groups were credited with the registration of 40,000 new voters in time for the primary. The day before the elections, Mr. Jackson said a black turnout of 50 percent or more would mean "the record turnouts in Chicago and Philadelphia could be declared a trend" that could force the Democratic Party to "renegotiate" its relationship with blacks before 1984.

Mr. Jackson's swing through Mississippi reconfirmed his appeal to the state's blacks, who make up 40 percent of the population. In one town after another, he was a magnet, drawing crowds of from 400 to 1,500. "He's been like a Pied Piper," said one campaign worker.

Political Turmoil Spurs Growth of Risk Consultants

By PETER H. STONE

BACK in November 1979, armed Iranian students stormed the gates of the United States Embassy in Tehran and took 62 Americans — the American hostages — hostage.

While the human drama grabbed most of the headlines, it quickly became clear that more than political fortunes were dashed in the upheaval. The economic warfare that ensued also dealt a devastating blow to many United States banks and businesses that had billions of dollars invested there.

Since Iran, other crises abroad — from the political turmoil in El Salvador to the economic instability of Brazil — have further shaken the corporate confidence of many American multinationals.

"You can't be complacent about investments anywhere," said Robert O. Anderson, the chief executive officer of the Atlantic Richfield Company. "Mexico is the latest case in point. Two or three years ago it looked like a sure financial success, but now it's just the opposite."

Arco, Mr. Anderson said, "sustained some rather substantial losses in Iran."

Enter the political risk consultant. To help prevent similar losses in other trouble spots, a growing number of businesses — including Arco, Bechtel, Goldman, Sachs and Chase Manhattan Bank — are turning to former American intelligence agents and high-ranking military and Government officials for assistance in planning and assessing risks to business ventures in various parts of the world. It is an arrangement clearly based on the access to foreign leaders and to sensitive — and possibly secret — information these consultants

gained in Government service.

Old foreign policy hands like Henry A. Kissinger, the former Secretary of State, and Brent Scowcroft, a retired Air Force general who was Mr. Kissinger's deputy and later his successor, as National Security Adviser, hung out their shingle as international business advisers last year.

"We tell clients who the reliable people are in each country," said Mr. Kissinger of his consulting firm, Kissinger Associates, Inc., whose clients include about 20 multinational corporations. "Companies have asked our advice on the Middle East, Europe and Central America."

With Mr. Kissinger's recent appointment as the head of a bipartisan commission on United States policies in Central America, he has taken a six-month leave from the firm to avoid the appearance of a conflict of interest. Several of Mr. Kissinger's clients, such as Merck, Chase Manhattan and Arco, have operations and investments in Latin America.

This relatively new and potentially lucrative profession is also crowded with intelligence community alumni. Two former directors of the Central Intelligence Agency, William E. Colby and Richard Helms, are actively involved in the fledgling field. Ray S. Cline, an ex-station chief for the C.I.A. in Taiwan and the agency's former Deputy Director of Intelligence, is now a risk consultant for about six multinational companies.

And a leading British firm, Control Risks, opened a United States office in Bethesda, Md., in 1982 under the direction of Peter Goss, a former British intelligence agent in India and Northern Ireland, and Karl Ackerman, a former Director of Intelligence at the Department of State.

But the involvement of former pub-



Anti-American demonstrators in Teheran, 1979. Above, Henry Kissinger, William Colby and Richard Helms.

lic officials such as Mr. Kissinger, and veteran agents, such as Mr. Helms and Mr. Colby, has raised questions about conflicts of interest and revolving-door employment in the intelligence business. It is a problem more commonly associated with generals and lawyers who trade on their experience in the military or Government regulatory agencies.

"The growing use of former intelligence officials makes sense of us a little nervous," acknowledged Gordon Rayfield, a risk analyst for the General Motors Corporation and past president of the Association of Political Risk Analysts, an industry group he helped form in 1980. "It casts a shadow on the whole field, having C.I.A. consultants."

Still, demand is booming. "From 1977 to 1980, I probably sent about 20 retiring C.I.A. analysts to political risk consulting firms," said a former outplacement officer for the C.I.A. "We had operations officers, too, who had backgrounds that were

transferable to the private sector. They knew their way around the world."

Although the experience of former C.I.A. agents and the world of risk consulting mesh well, there could be a catch: The C.I.A. requires all former employees to abide by an oath of secrecy.

Under terms of this agreement, every C.I.A. employee is required to submit for review all written materials which "bear on knowledge obtained while an employee worked at the C.I.A.," said Dale Peterson, press spokesman of the agency. In recent years, the C.I.A. has looked vigorously at books being written by former intelligence agents.

But Mr. Peterson is not aware that any former employee now writing risk reports submitted them for review before presenting them to a private employer.

"I don't know how we can monitor this kind of activity," noted Mr. Peterson, Richard Helms said. "That's something for the Agency to decide," when asked whether he was bound by oath to submit reports for prior approval.

Many of today's risk consultants provide written reports, hold seminars and conduct regular briefings with executives about the advantages and pitfalls of doing business in such troublesome regions as the Middle East and Latin America. Others, however, go far beyond the boardroom's involvement with the bottom line and become actively engaged in dealing with such palpable dangers as kidnapping and extortion.

When it comes to the superstars, such as Messrs. Kissinger, Helms and Colby, their personal knowledge of foreign leaders is probably as appealing to business as their sage advice. In any case, risk analysts do not come cheap: Fees start at a few thousand dollars and sometimes exceed \$100,000 per assignment.

Despite corporate fears about overseas investment in some regions of the world, direct foreign investment abroad by United States companies has slightly outpaced inflation over the past decade, rising to about \$224 billion in 1982, from under \$90 billion in 1972. But since the Iranian crisis, overseas investment has actually dropped by 5 percent, after adjusting for inflation.

Meanwhile, international competition — first from Japan and now from many smaller, newly industrialized nations in Southeast Asia — has further eroded some of America's economic vitality in foreign markets.

Another challenge to American multinationals has come from the governments of less developed nations, some of which have created an array of new rules and regulations

severely hampering American investments.

Given such uncertainties, it is perhaps not surprising that American multinationals are looking for as much help as they can find. According to a Conference Board study, two-thirds of all American corporations with more than 25 percent of their sales abroad in 1980 had established in-house political risk departments; and about two-thirds of American companies with operations in more than 20 countries had done likewise.

To pool the resources of the nation's risk consultants and help refine technique, the Association of Political

The arrangement is clearly based on access to foreign leaders and secret data.

Risk Consultants (A.P.R.A.) was founded in 1980 by John Sassi, manager of international affairs for the Gulf Oil Corporation, James Nash, an international economist for Morgan Guaranty Trust, and Mr. Rayfield of General Motors. The organization now claims to have 375 members; it also publishes a regular newsletter and holds an annual meeting for its members, which this year featured a panel headed by William Colby.

At some of the larger multinationals like the Xerox Corporation and the Exxon Corporation, there is a tendency to use both in-house analysts and risk advisers on a freelance basis to provide supplementary opinions.

"They provide a safety net for our internal studies from managers around the world," said Dan Sharp, director of international relations for Xerox. One chief executive even admitted that receiving consulting advice from former intelligence agents is "just plain comforting."

More than psychological solace, however, is provided at Kissinger Associates.

"We stick to foreign policy and economic policy," said the 60-year-old Mr. Kissinger, whose firm has offices in New York and Washington. "We might rank countries in terms of stability for clients who ask," he added.

Mr. Kissinger, who is on the international advisory board of several major multinationals, including Chase Manhattan, Goldman, Sachs and Merck, said that his firm "may

make introductions for clients occasionally," but generally will not travel with them overseas. In one case, however, he recalled that "We did go with a client to Europe to assess an investment." The price for the firm's services, which mainly entails personal consultations with executives, starts at \$100,000 — with or without Mr. Kissinger's own involvement.

Is the fee too steep? "Americans have always been rather naive about world trade," said Mr. Anderson of Arco, who is both a board member and a client of Kissinger Associates. "You can't quantify political risk. It's judgmental. Mostly, we're trying to keep current on adverse political developments around the world."

While Arco is primarily a domestic oil company with about 96 percent of its operations in the United States, it does have small investments in politically sensitive areas, such as Mexico.

"If Kissinger helps us once in five or 10 years," said Mr. Anderson, "he will have earned his fees. We don't expect any immediate results or miracles. It's more a preventative than a touchstone to trade."

Richard Helms's firm is a one-man operation which, at first, had only one purpose.

"I was trying to create business in Iran for United States companies when I founded Safer in 1977," said Mr. Helms, the former Director of Central Intelligence and one-time Ambassador to Iran, referring to his own risk-analysis firm. He is now employed by the Bechtel Group Inc., one of the world's largest construction and engineering companies, as a consultant for Middle East investments, along with Parker Hart, a former Ambassador to Saudi Arabia and Turkey who is also an independent consultant. Mr. Helms declined to discuss his firm's fee structure.

Safer, the Persian word for ambassador, plays a "kind of confirming role" to Bechtel's own internal reports, said Mr. Helms, who is 70 years old. Safer is used particularly for its advice on Iran and Egypt — the stability of the economy, the people in power and their political views — "because they're steeped in these areas, they know the fellows running the government and keep up with the treaties," said S. P. Giambra, vice president of Bechtel.

"As we've dealt more with foreign governments, we've needed more information," continued Mr. Giambra. Bechtel's foreign business has more than doubled in the last decade — making risk considerations a growing corporate priority.

Peter H. Stone writes on business and politics from New York.

'EDDIE SEAGA IS A FRIEND OF MINE'

"What businessmen call political risk is what I've been doing all my life," said 65-year-old Ray S. Cline, a former deputy director of the Central Intelligence Agency, who is now vigorously pursuing a second career as a risk consultant to private industry. "Intelligence people are very good at this because they have good analytical minds," Mr. Cline maintained.

After 22 years in counterintelligence, the Harvard-educated Mr. Cline regards himself as an antiterrorism specialist and an expert in Taiwanese and Far Eastern affairs — he did a four-year hitch as C.I.A. station chief in Taiwan. Mr. Cline has also remained involved in that country's politics, as head of the Taiwan Committee for a Free China and as an adviser to Ronald Reagan about the island during the 1980 campaign.

Mr. Cline, who has worked for such defense contractors as the General Dynamics Corporation, now consults regularly for D. B. Cotton, a small Zurich-based investment counseling firm that advises, among others, the Morgan Guaranty Trust Company and the Hewlett-Packard Company. Mr. Cline charges



Ray S. Cline

his clients a minimum of \$1,000.

The kind of advice that Mr. Cline provides varies considerably. He has, for example, warned a few multinational oil companies about the risks of investing in mainland China. "I have talked to a few oil companies about the bureaucratic structure of the Government," he said. "And I've saved a few from investing there."

Mr. Cline, however, believes

that Jamaica is a good bet for American business, especially since the 1980 election of Prime Minister Edward Seaga, who replaced Michael Manley, a Socialist. "Eddie Seaga is a friend of mine," noted Mr. Cline. "Jamaica is more pro business, more encouraging to tourism."

South Africa is also a focal point of Mr. Cline's consulting. In fact, he is now creating political-risk scenarios on that country for D. B. Cotton. Despite South Africa's poor track record in the area of human rights, Mr. Cline has an upbeat view of the country's political and economic future. "I think its sophisticated leadership could be an engine for growth," he said.

Mr. Cline has even handled a case involving a Chicago arms manufacturer that had contacted him about selling weapons to Turkey. Mr. Cline said he helped the manufacturer find "someone who knew the Turkish military situation well and who helped by making contacts."

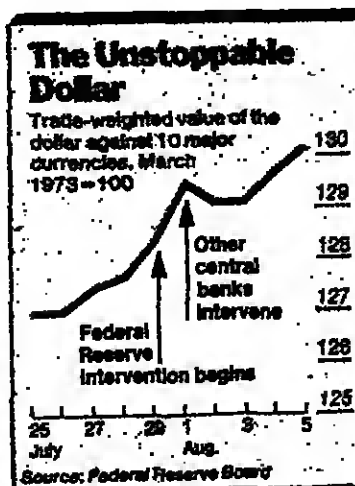
"The marketplace beat its way to my door," explained Mr. Cline, once the captain of his high school football team. "Big business doesn't trust its own experts and likes to look outside for advice."

WEEK IN BUSINESS

The Fed Intervenes Against the Dollar

The United States tried to stop the appreciation of the dollar by intervening on foreign currency markets for the first time since last October. But the efforts were in vain. The Federal Reserve, which began selling dollars and buying West German marks nine days ago, was later joined by the central banks of Germany, Japan, France and Switzerland. The intervention lasted through last week and is expected to continue. Analysts estimate that more than \$2 billion was poured into the market to depress the dollar. Nevertheless, the dollar continued its surge, closing at a nine-year high against the mark. The move represented a yielding of the Treasury to pressure from the State Department and the Federal Reserve and was essentially a political gesture to America's trading partners. The Fed may have locked itself in. Since the dollar continued to soar despite heavy selling, imagine what might happen if the Fed suddenly halted its intervention.

Searing interest rates last week gave added strength to the dollar. The Treasury's auction of \$15.75 billion in debt pushed interest rates on 10- and 30-year bonds above the 12 percent mark, the highest since last September. Moreover, the money supply spurted \$1.2 billion, giving little hope for lower rates in the immediate future. The stock lost 16 points on the week, closing at 1,183.23.



A.T.&T. said goodbye to the Bell name and agreed to Judge Harold Greene's final ruling on the \$154 billion breakup. The company will use "A.T.&T." as its brand name for service and equipment and the blue globe wrapped with white lines as its logo, replacing the Bell name and Bell logo. American Bell will be renamed A.T.&T. Information Systems, and the long-distance business will be A.T.&T. Communications. Despite the rather solemn topic, at a news conference Charles Brown, A.T.&T.'s chairman, kept his sense

of humor. When asked by a reporter about the "personal anguish" of the breakup and how it had affected his life, Mr. Brown said, "Well, I've had to work some afternoons past 2 P.M."

G.M. is upset. The Justice Department filed a suit charging that its 1980 X-cars had defective break systems, and that G.M. disregarded the fact and filed false and misleading reports with the Government on the cars' problems. The suit seeks the recall of all 1.1 million cars and payment of more than \$4 million in civil penalties. G.M. categorically denied the charges. Other problems persist with the X-car, perhaps the most troublesome auto in recent years. G.M. said it planned to offer warranties to owners of some 1.8 million X-cars from 1980 and 1981 covering possibly defective power steering mechanisms. The action comes short of a recall, which could cost G.M. some \$400 million.

Lee Iacocca is upset. He doesn't agree with Treasury Secretary Donald Regan on the Government's plan to sell its 14.4 million warrants on Chrysler stock. The Chrysler chairman is asking the Government to delay its sale until the auto maker can get a Congressional review of the matter. At the same time, Chrysler sold 1.8 million new common shares to the public and is seeking a \$300 million line of credit from its bankers.

Despite the upsets, new car sales jumped 38 percent in the last 10 days of July, producing an annual selling rate for the month of 7.2 million cars, down from 7.5 million in June, but up from a 6.2 million rate in July 1982.

The economy threw off mixed signals in June. Factory orders surged 3.9 percent, the biggest rise in three years, and construction spending rose 2.6 percent. But mortgage rates began to rise, as rates on F.B.A. and Veterans Administration mortgages were increased a percentage point, to 13.5 percent. Moreover, sales of new single-family homes slid 2.9 percent in June.

WPPSS Fallout. "It seems like Chemical is suing everybody in sight," was one reaction to a suit that Chemical Bank filed in the wake of the default on \$2.25 billion of Washington Public Power Supply System bonds. Defendants in the lawsuit, who were charged with fraud and negligence in the sale of bonds that supported construction of the Nos. 4 and 5 nuclear plants, included WPPSS, 23 municipalities, 88 utilities, the Bonneville Power Administration, 500 participants in the bond sale and 100 unnamed individuals. Chemical Bank is trustee for the bondholders who have little hope of getting their money back.

Nathaniel C. Nash

The New York Stock Exchange

MOST ACTIVE STOCKS

WEEK ENDED AUGUST 5, 1983

Company	Sales	Last	Net Chg
ATT	8,359,800	63 1/2	+ 2 1/2
Exxon	5,824,000	37 1/2	+ 1 1/2
Chrysler	5,804,500	25 1/2	+ 1 1/2
GenEl	4,081,800	48 1/2	+ 1 1/2
Tandy	4,055,000	42 1/2	+ 1 1/2
IBM	3,740,800	119 1/2	+ 1 1/2
AEPR	3,556,600	18 1/2	+ 1 1/2
GM	3,501,100	69 1/2	+ 3 1/2
Citicorp	3,242,300	38 1/2	+ 1 1/2
PhibS	3,226,400	29 1/2	+ 1 1/2
IntTT	3,028,700	43 1/2	+ 1 1/2
Waly	2,993,300	42 1/2	+ 2 1/2
EsKod	2,938,300	69 1/2	+ 1 1/2
Moil	2,807,000	30 1/2	+ 1 1/2
StInd	2,692,500	51 1/2	+ 2 1/2

MARKET DIARY

Advances	Declines	Total Issues	New Highs	New Lows
671	1,322	2,022	50	26

VOLUME

Total Sales	Last Week	Prev. Week
400,860,440	13,088,179,875	7,900,307,348

WEEK'S MARKET AVERAGES

High	Low	Last	Chg
110.2	108.0	108.1	-1.08

Standard & Poor's

400 Industrials	185.3	179.0	182.4	-0.93
20 Transp.	29.5	28.2	28.5	-0.54
40 Utilities	85.8	84.2	84.7	-0.21
40 Financials	13.0	12.8	12.8	-0.02
500 Stocks	164.4	158.9	161.7	-0.82

Dow Jones

30 Industrials	1,204	1,186	1,193	-15.93
20 Transp.	557.1	532.2	542.4	-8.34
15 Utilities	130.6	128.0	129.0	-0.68
65 Com.	479.1	463.0	468.9	-8.06

The American Stock Exchange

MOST ACTIVE STOCKS

WEEK ENDED AUGUST 5, 1983

Company	Sales	Last	Net Chg
WangB	2,949,300	32 1/2	+ 1 1/2
ImpCh	2,008,400	8 1/2	+ 1 1/2
RowVal	1,084,400	22 1/2	+ 1 1/2
AmInd	888,100	21 1/2	+ 1 1/2
DomeP	825,200	4 1/2	+ 1 1/2
AmExp	685,400	7 1/2	+ 1 1/2
TE	670,200	36 1/2	+ 1 1/2
TaxAir	619,000	8 1/2	+ 1 1/2
Reart	523,200	44 1/2	+ 1 1/2
ChmPH	411,000	5 1/2	+ 1 1/2

MARKET DIARY

Advances	Declines	Total Issues	New Highs	New Lows
204	601	912	905	15

VOLUME

Total Sales	Last Week	Prev. Week
33,530,635	1,382,188,134	677,230,405

BROADWAY 80

WARNING — The Ministry of Health has determined that smoking is harmful to health



I'm glad I changed.

The New York Times

Founded in 1851

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Poorer America

The percentage of Americans living in poverty, says the Census Bureau, is the highest in 17 years. The numbers mislead, responds the White House.

The Reagan Administration has a point. The poverty index, for any one year or even over a longer period, gives an incomplete picture of how the poorest Americans are faring. But the undeniable message of the numbers isn't very pretty. The nation's recent treatment of its poor, particularly the marginal poor who struggle to cling to a respectable living standard, has been shameful.

What is this "poverty line" by which we have been measuring the promise and failure of America? Not a very scientific standard.

Back in the early 60's, the Agriculture Department created a hypothetically balanced diet of nutritious foods available at minimum cost — rice, beans, bread, processed cheese and the like. It estimated the quantities that would probably sustain health. And then it estimated that poor families spend about a third of their income on food.

So when the Census Bureau was asked to define a life of poverty, it began to estimate the cost of Agriculture's economy food plan, multiplied by three, and called the result the edge of poverty. For a family of four, that is at present said to be an annual income of \$9,862.

In random annual surveys, those found to be living in families with incomes below the line (after adjustments for the cost of living, family size and age) are officially called poor. Last year, they were reckoned to be 15 percent of all Americans, up from 14 percent in 1981 and still moving away from the lowest total of 11 percent in 1974.

There are obvious shortcomings in the measure. Poverty everywhere is a relative term: Half the world's families would welcome a life on \$9,862 in America as luxurious; the 5 percent of the world's people living in welfare states in northern Europe would consider it seriously deficient.

Some of the problems with the index are practical. It makes no adjustments for regional differences in living costs, or personal spending habits, or unreported income, or, most seriously, government benefits-in-kind — food stamps, school lunches, medical care, public housing.

The Reagan Administration is most keen to dismiss comparisons between its years in office and the better trend before. The failure to adjust for higher medical benefits may indeed invalidate comparisons with the 60's. But that probably does not explain much of the increase in measured poverty since the mid-70's. And since benefit-in-kind programs were reduced last year, their omission certainly does not explain why 2.6 million more people fell below the poverty line between 1981 and 1982.

A closer look at the new poverty figures is even more damning of the Reagan record. Government aid to the poorest of the poor has not been greatly changed. But aid to those who teeter on the edge of poverty — large families supported by a single low wage, for example — has been significantly reduced. That helps to explain why the number of children living below the poverty line increased in 1982 by 10 percent.

Also, the long period of high unemployment seems to have done great damage to families where two workers both lost jobs and eventually their eligibility for unemployment benefits. That helps to explain why the number of married couples below the poverty line increased in 1982 by 12 percent.

Despite the inadequacies of the index, therefore, the poverty figures confirm what logic had long implied. The war against inflation has been won, at least temporarily. But many of the casualties have been the poor and near-poor Americans who were denied the jobs or temporary assistance they needed to rise above a subsistence standard.

Denying them cash and services has been the fastest kind of economy. With modest help, they could rise out of poverty. Without it, they become vulnerable to far less tractable and far more costly social ills. Their fate is a stain on our nation's self-respect, a measure of our inhumanity.

Ready, Aim, Negotiate

If you are confused about the Reagan Administration's approach to Central America, the news of the last two weeks is excuse enough. What was billed as strictly routine — sending battle fleets and staging massive maneuvers — is now said to have been calculated, peaceful therapy. And, Secretary of State Shultz says, "It is showing results."

So be it. If the Administration wants to turn a cheek, that is all to the good. President Reagan all too recently scorned negotiation with the region's revolutionaries. Cheekily, he now calls it a positive sign that his special envoy met with both Salvadoran and Nicaraguan leftists.

What will "work" to the United States' advantage in Central America are arrangements that advance peaceful political evolution and respect for every country's independence. Neither objective justifies the forcible overthrow of Nicaragua's leftist regime or abetting the almost random killing in El Salvador. What will open the way for negotiations is not a Soviet-American propaganda contest at sea but a more careful use of American power and influence to end Salvador's civil war and to promote democracy in Nicaragua by peaceful means.

If it's diplomacy Mr. Reagan wants, he may have his opening. A plainly baffled Fidel Castro now talks of pulling his advisers out of Nicaragua if the United States reciprocates in El Salvador. The Sandinista rulers of Nicaragua endorse the idea and talk of a regional deal to end all arms shipments to Salvador.

That is broadly the course urged by the patient Contadora mediators from Mexico, Venezuela, Colombia and Panama. Rhetorically, at least, peace is in the air. It could be hot air, but

assuming a modicum of good faith, what next? A sensible step is to let Richard Stone, the Presidential envoy, seek a basis for a deal in El Salvador, looking toward a supervised armistice and eventual elections. Making Cuba a party to the discussion, as urged by the Senate majority leader, Howard Baker, could help.

On the face of it, the agendas of the Government and insurgents in El Salvador are incompatible. The Government offers to discuss only the left's participation in elections; the left first wants some power in the interim regime that prepares the vote. But both sides should be sick of the wild killing, which has not much advanced anyone's cause.

A military standoff can be a powerful incentive for compromise. Mr. Reagan's ability to intervene or to help the Government achieve "victory" is obviously limited. But the aid furnished so far has surely reduced the insurgents' expectations, too.

When Mr. Stone finally obtained a meeting with a Salvadoran leftist leader, it was in Bogota, with Colombia's President Betancur, a conservative, as the go-between. And Mr. Stone doubtless found that this rebel, Rubén Zamora, is a disenchanted democrat, not a rabid revolutionary. The guarantees for pluralism that the United States hopes to achieve may be as important to Mr. Zamora as to democrats on the Government's side. Repairing relations among such leaders should have a high priority.

Negotiations, by definition, require compromises. Mr. Reagan has come perilously close to widening conflicts that he should want to contain. Central America's leftists have come dangerously close to forgetting their vulnerability. If the shared benefits of a settlement are mutually understood, it may now be possible to stop the killing and discuss the future in a new tone of voice.

Letters

Grain That May Feed More Than Soviet Mouths

To the Editor:

May I continue just a bit the discussion of the recent wheat sale agreement with the Soviets that you began with your editorial "Requiem for a Grain Embargo" [July 31]?

I am quoted to the effect that if we feed the Soviet Army, what right have we to complain of its behavior? That was too hasty a remark, and in any event not meant to be taken literally. I might better have asked: If we feed their illusion — I hope they are illusions — about the decadence of the West, how can we complain that they grow more audacious?

A central conviction of the early Soviet leaders was that, for all the rhetoric of anti-Communism, the capitalist powers would seize the opportunity to dump their surplus production onto the Russian economy. (See Joseph P. Funder's fine new work, "Red Carpet.")

Lenin seems to have been obsessed with the idea, which derives from his theory of imperialism. His remark that the capitalists would sell the Soviets the rope with which they would hang us is at best an oral tradition, but there can be no doubt that he and his fellow Bolsheviks believed this.

In "Russia and the West Under Lenin and Stalin," George Kennan describes what he calls the "imaginary statement of the Soviet leaders to the Western governments":

"... since we are not strong enough to destroy you today... we want you during this interval to trade with us; we want you to finance us... An outrageous demand? Perhaps. But you will accept it because you are slaves to your own capitalistic appetites... you will wink at our efforts to destroy you, you will compete with one another for our favor... It is, in fact, you who will, through your own cupidity, give us the means wherewith to destroy you."

Kennan then says, for himself: "I can only assure you that this formulation is not one whit sharper or more uncompromising than the language consistently employed by the Soviet leaders at that time. I do not believe that it embraces a single thought which did not then figure prominently in their utterances."

We have every reason to believe that this view continues.

A more recent development is the rise of the Soviets as the world's largest energy exporter. Wharton Econometric Forecasting Associates has

provided admittedly rough estimates of the Soviet Union's comparative advantage in producing oil and gas as against grain. For every dollar they are able to free up resources to produce and export more than four dollars' worth of oil. Or three times as much natural gas.

Should we, even so, encourage such trade? Yes, we should. Comparative advantage can redound to our benefit as well. But is it unreasonable to attach some conditions and show some sense of timing?

Forty-eight hours after the President fair-to-charged the Soviets with invading this hemisphere, we announced an agreement that increases our guaranteed grain sale by 50 percent. It was the increase, in the midst of a political and economic crisis to which the Soviets have contributed more than their share, that troubled me.

I fear the agreement will be read by the Soviet leaders as evidence that our behavior is predictable, and just a bit contemptible. Is this not a formula for worse to come?

DANIEL PATRICK MOYNIHAN
U.S. Senator from New York
Washington, Aug. 3, 1983

What Sam Ervin Thinks Women Want

To the Editor:

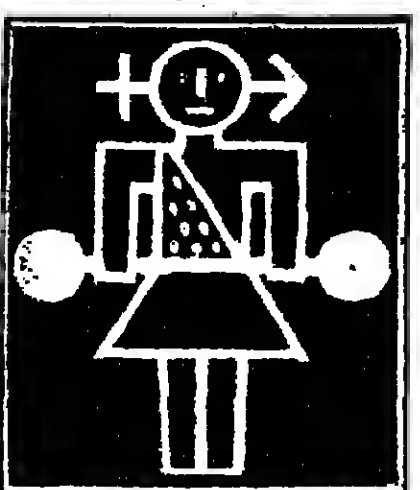
Sam J. Ervin Jr.'s attitude ("E.R.A.'s Time Is Gone," Op-Ed Aug. 1) is representative of the thinking that prevented the passage of the Equal Rights Amendment originally.

Women unfamiliar with the "beguiling and deceptive" wording of the amendment — equality of rights under the law shall not be denied or abridged by the United States or any state on account of sex — were led to believe that a parade of horrors would result, rather than the inherent gains to which women are entitled. As a result, women are now denied equal protection under the law, a fact that Mr. Ervin neglected to mention.

Nothing in the E.R.A. says that women will be drafted or that coed bathrooms will be installed in public schools. Why should a change like this be imminent? Does the right to equality presuppose the loss of the right to privacy? Separate but equal bathrooms (Brown v. Board of Ed.) would meet the middle level of scrutiny needed in gender classification cases, whereas it was insufficient for the strict scrutiny necessary in racial classifications.

Mr. Ervin's argument regarding support obligations is clearly outdated: Laws that impose the financial burdens on the husband solely on account of sex have eroded. Most states today look to the earning capabilities of both spouses in determining the party responsible for the family's

maintenance. And we can hardly envision the desegregation of sexes in hospitals, jails, schools and prisons in a society that has yet to fully implement desegregation by race. Furthermore,



the Supreme Court has had final jurisdiction over the Constitution since Marbury v. Madison. Why should women's rights be any different?

Still, what is most shocking about Mr. Ervin's attitude is that he presumes to understand what women want and concludes that, rather than equal treatment, women would prefer pampering or protection.

MICHELE R. COVEN
SUZANNE ROSENCRANS
Staten Island, N.Y., Aug. 2, 1983

Anglo-Saxon, Fundamentalist, Rural: A Portrait

To the Editor:

Whenever I read an item such as the letter by Jacqueline G. Wexler [July 24], I am struck by such phrases as the one about "Identity Churches," which preach white supremacy, anti-Semitism and... anti-Catholicism. They tell me just how complicated life can be, for they remind me of my grandparents, with whom I lived after my mother's death when I was a small child.

White, Anglo-Saxon Protestants, staunch believers in WASP supremacy, they never spoke a word to me against my Catholic father or his French-Canadian second wife. On the contrary, since my father wanted me to be raised a Catholic, my grandfather used to drive me, week after week, to 7 A.M. mass in the nearest town with a Catholic church. We had to go early in order to be back for 9 A.M. Sunday school and 11 A.M. service at their fundamentalist Christian church.

I remember taking my Philadelphia-born-and-bred husband back to the Illinois farmland where I grew

up. He was concerned that he, a big-city, ethnic Catholic from an active union family would have nothing in common with any conservative, Protestant, populist relatives. My assurances to the contrary went unheeded, until he had met and been welcomed by them.

He found they shared such beliefs as pride in hard work, devotion to one's family, willingness to sacrifice for one's children and to help one's neighbor, honesty, belief in one's God, which dwarfed the philosophical and doctrinal differences. I also remember returning with the Vietnamese child we had adopted, all of us welcomed without reservation.

I heartily endorse the basic premises of Miss Wexler's letter, but since I have lived in the East, I have often encountered another type of prejudice — a prejudice against Midwestern or Southern Anglo-Saxon, Protestant, fundamentalist, rural Americans who have more in common with minorities everywhere than any of them may ever know.

ROSEMARIE HUNT
Avon, Conn., July 25, 1983

Judge Kaufman Is Wrong for the Organized-Crime Commission

To the Editor:

Whether yet another commission to study organized crime is worth the large expenditures of resources and the excessive hopes it will engender is debatable. Not debatable, however, is the unseemliness of the commission being headed by an active member of the United States Court of Appeals for the Second Circuit, Judge Kaufman.

The participation of a circuit judge in such a commission, especially if it has the subpoena powers that Judge Kaufman says he will seek, is at least arguably a violation of the Code of Judicial Conduct, which prohibits political activity "except on behalf of measures to improve the law, the legal system, or the administration of justice," or a leadership role in an organization "regularly engaged in adversary proceedings in any court."

Subpoenas are enforced in court, in adversary proceedings. Beyond those prohibitions, the code forbids nonjudicial activity that casts "doubt on [a judge's] capacity to decide impartially any issue that may come before him." It is in apparent recognition of that prohibition that Judge Kaufman announced he "would have to disqualify himself from any cases involving organized crime" [news story July 29].

Any effort to implement such an undertaking will be ludicrous. Judge Kaufman, in announcing that the illegal narcotics trade alone ac-

counted for 579 billion a year in untaxed money, has apparently already decided that all or most drug cases involve "organized crime." Appeals of drug cases are the largest category of criminal appeals in the Second Circuit.

The meaning of "organized crime" is almost as vague as "obscenity." Virtually all Federal crimes have heavy involvement of "organized crime," according to the Justice Department. Moreover, according to the Congress, which enacted the Racketeer Influenced and Corrupt Organization Act of 1970, such apparently mundane crimes as bribery, theft, mail or wire fraud, bankruptcy or securities fraud, or even transporting a woman interstate for "immoral purposes" are "acts of racketeering."

Unless he disqualifies himself from all appeals in criminal cases, how is Judge Kaufman to decide whether a case "involves organized crime"? Ask the prosecutors? Ask defense counsel? Look for an Italian surname? Any method of deciding that a case "involves organized crime" will be silly and open the court, and Judge Kaufman, to ridicule.

Ultimately, Judge Kaufman will be forced to decide whether he wishes to remain an active member of the court or a member of the commission. He should decide that now. I, for one, think he would be more valuable on the court.

STEVEN B. DUKE
Professor of Law, Yale Law School
New Haven, Aug. 3, 1983

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Operating Groups

Topics

At Death's Door

Help For Hospices

For most Americans, the facts of living are a family, friends and familiar sights and sounds. But the facts of dying are a strange room, and people whose sole role in life is to try to delay its ending.

Hospice care makes it possible for the dying to stay in their own, known world longer, and often to the end. By agreeing to palliative rather than curative care (the latter is provided should a secondary ailment arise), patients receive drugs, medical supplies, counseling and custodial home health care.

Last year hospice care became an eligible expense under Medicare, and Congress set a per patient limit of \$7,600 — 40 percent of the estimated cost of conventional Medicare services for similar patients. The Reagan Administration, challenging that arithmetic, lowered the cap to \$4,200, which hospices claimed wouldn't cover the costs of those who need intensive care. Such patients effectively would have no choice but hospi-

als, and the Government would, in the end, have a bigger bill.

Now Congress has voted to raise the maximum to \$6,400, to be automatically adjusted on the basis of changes in the medical care component of the Consumer Price Index. When President Reagan signs the bill, more Americans will have the chance to die in their own beds.

The Public Ear

National Public Radio's financial troubles have been of immediate concern to its unpaid employees and its anxious creditors. But an audience of nine million is also among the network's assets, and they have matched Federal help with membership dollars to individual stations.

Their loyalty surely argues for giving a chastened operation an \$8.5 million loan to keep the lifeline at the door and its programs on the air.

Public Radio, which now feeds programs to 281 stations, has since 1980 made the air safer for controversy

and widened the band for cultural programming. Unhappily, the creativity extended to bookkeeping, and slipshod practices — including failure to transmit employee income taxes — properly forced reorganization.

But its funds were ill-managed, not wasted. N.P.R. flatters intelligence with its free-form anthologies of news, commentary and features. Some listeners complain about an air of liberal smugness in many N.P.R. programs, but that only argues for more diversity, not less vitality.

The network's programming justifies the decision of the Corporation for Public Broadcasting to forgive a \$600,000 loan and to extend an \$8.5 million credit, secured by the network's transmitting equipment. And realism justifies the appointment of distinguished trustees to assure a more prudent use of public funds.

It may be that to assure solvency, N.P.R.'s listeners will have to contribute more for the service. But if the network had died under a blanket of I.O.U.'s, so would have the chance of building this support.

After Invading Nicaragua

By John W. Douglas

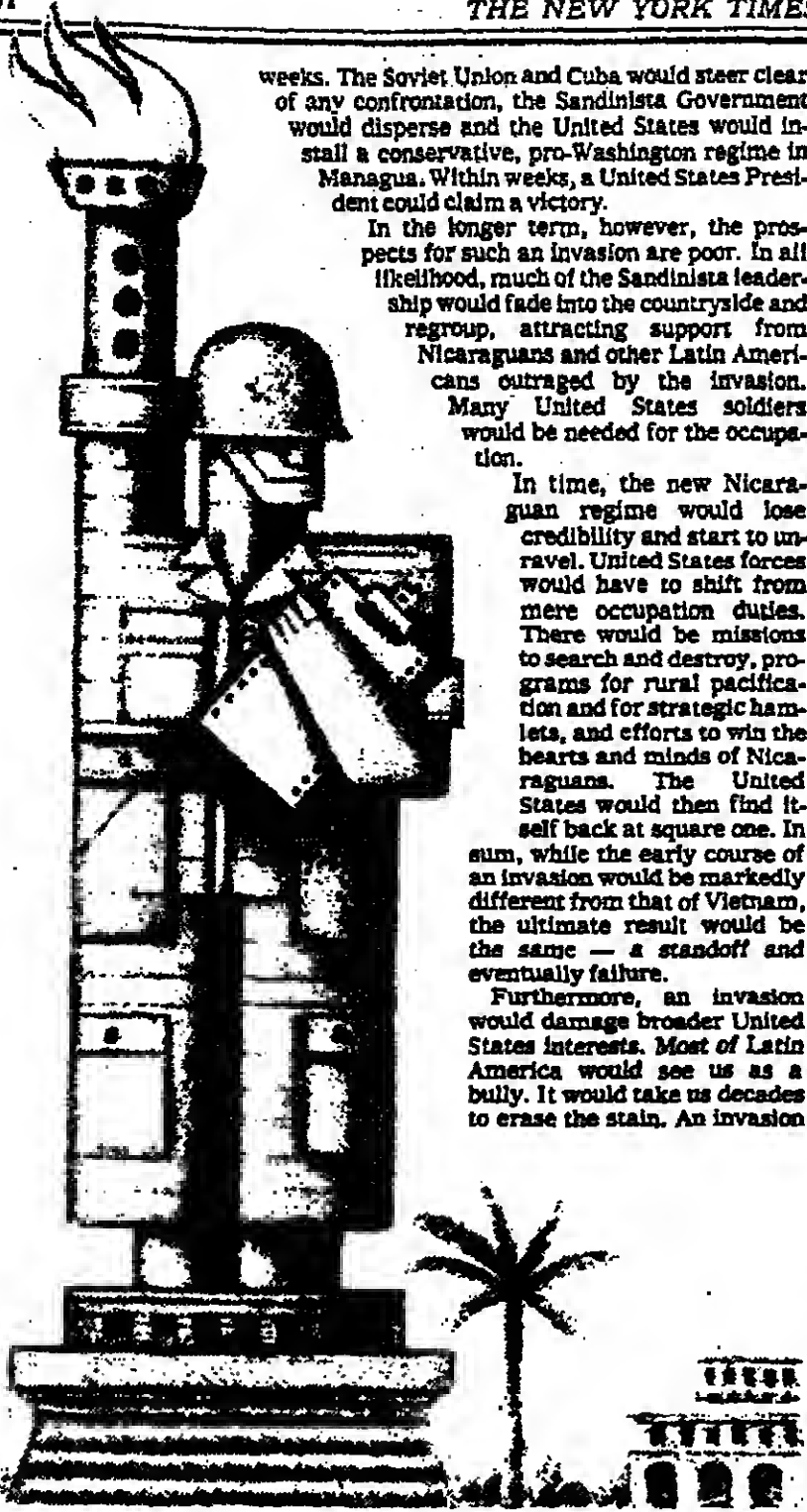
WASHINGTON — The current debate on Central America has surfaced a school of thought that favors a full-scale invasion of Nicaragua by tens of thousands of United States troops, if that is what it takes to overthrow the leftist Sandinista regime. Let us imagine that this view prevails and that, in the months to come, the United States does launch an open military invasion of Nicaragua. What then?

In the short run, a United States military success, not a Vietnam stalemate, appears to be in the cards. Unlike North Vietnam, no Central American nation shares a common border with another major power. Nicaragua is relatively close to the United States. It has a population of less than three million, and its manpower reserves do not approach those of North Vietnam. Its territory is much smaller than Vietnam's, and its terrain less formidable.

United States ships and planes can control all major sea lanes and air corridors. Our military forces would avoid any gradual escalation and aim for a quick triumph. Early United States casualties probably would be modest.

Thus, a large-scale United States invasion of Nicaragua from air, sea and Honduran bases offers a beguiling vista of short-range military success. In this view, United States troops would overpower the Nicaraguan forces in a few

John W. Douglas, chairman of the Board of Trustees of the Carnegie Endowment for International Peace, practices law.



weeks. The Soviet Union and Cuba would steer clear of any confrontation, the Sandinista Government would disperse and the United States would install a conservative, pro-Washington regime in Managua. Within weeks, a United States President could claim a victory.

In the longer term, however, the prospects for such an invasion are poor. In all likelihood, much of the Sandinista leadership would flee into the countryside and regroup, attracting support from Nicaraguans and other Latin Americans outraged by the invasion. Many United States soldiers would be needed for the occupation.

In time, the new Nicaraguan regime would lose credibility and start to unravel. United States forces would have to shift from mere occupation duties. There would be missions to search and destroy, programs for rural pacification and for strategic hamlets, and efforts to win the hearts and minds of Nicaraguans. The United States would then find itself back at square one. In sum, while the early course of an invasion would be markedly different from that of Vietnam, the ultimate result would be the same — a standoff and eventually failure.

Furthermore, an invasion would damage broader United States interests. Most of Latin America would see us as a bully. It would take us decades to erase the stain. An invasion

would also send shock waves throughout Europe — already skeptical of our Latin America policies. The Soviet Union would have a propaganda field day. Most Europeans would understand that Nicaragua's only real threat to the United States' vital interests is the possible future construction of missile bases — bases that United States planes could take out at an early stage and in a single run.

The advocates of open military intervention are dangerously shortsighted. They remain mesmerized by what they see as an opportunity to reassert, with one dramatic stroke, the United States' determination that they believe earlier leaders frittered away in Vietnam. To such observers, our military intervention in Southeast Asia was a noble undertaking that faltered only because our leaders lacked the will to win and mistakenly shackled the military.

Accordingly, the revisionist theory continues, United States forces bogged down, the public tired of the jungle stalemate and eventually the United States threw in the towel. To put it another way: What could have been won on the battlefield of Vietnam was lost in Washington's corridors of power by high-level irresolution subsequently transmitted throughout the body politic.

Today, even as extensive, provocative United States military maneuvers are unfolding in Central America, some members of the Administration have taken a page from the ill-fated book written by their counterparts in President Johnson's day: They are warning President Reagan that our adversaries are testing his character and that the United States must respond with great force.

In 1964 and early 1965, the parallel argument was that President Johnson's leadership would waver if he did not stand up to North Vietnam and its Communist sponsors by sending large numbers of American troops into the South.

Fortunately, there is still time to avoid disaster: The Rubicon in Central America lies some distance ahead.

A 2d AIDS Epidemic

By William Beauchamp

DALLAS — A double epidemic is spreading across the land. One, a growing fear and intolerance of homosexuals, is fueled by the other, the spread of acquired immune deficiency syndrome, and neither is being adequately addressed.

Let me illustrate. I am an openly homosexual faculty member at conservative Southern Methodist University in Dallas — tenured, respected, mature. Three months ago, crammed into a gallery, I listened as the S.M.U. student Senate debated recognition of

William Beauchamp is associate professor of French at Southern Methodist University.

the Gay/Lesbian Student Support Organization. In the glare of television cameras, homosexuals (including, presumably, the dozens of us present, both students and faculty) were compared to rapists, thieves and robbers. We were portrayed as sinners and liars. The group would serve as a student-faculty sex club, a vehicle for orgies and recruitment. Worst of all, we were "disease-carrying, sexual

deviants" and because of AIDS, the health — the very lives — of every person on campus would be at risk.

When the Senate voted 17-11 to deny recognition, cheers erupted from the gallery, and a familiar SMU chant was heard: "Steers and Queers — Only in Austin." A young man shouted, "Now we can shoot you."

Unfortunately, the spectacle at S.M.U. was not an isolated event. Leaders of the fundamentalist right, seizing on AIDS as a sign of divine wrath, have made the "gay plague" the linchpin of their case against civil rights for homosexuals. Many ill-informed people, in all sectors of society, are listening. As a result, both the AIDS epidemic and the plague of bigotry continue to spread.

Take another example. While the S.M.U. Senate argued, testimony was being gathered in Austin on a bill to protect Texans from the spread of AIDS. This was to be accomplished not by research or responsible public education but by establishing jail sentences for homosexual acts and excluding homosexuals from public employment. Fortunately, the bill died in committee.

Or consider the case of Paul Cameron, a psychologist from Lincoln, Neb. Mr. Cameron, who testified before the Texas Legislature, travels the country promoting a bill that would incarcerate homosexuals "until and unless they can be cleansed of their medical problems." In Chicago recently he warned that homosexuals were potential mass murderers and that AIDS could mean the demise of Western civilization. His message is carried on dozens of radio stations.

In San Francisco, New York, San Antonio and other cities, ignorance about AIDS and fear of homosexuals are resulting in irrational behavior and ostracism. Sanitation workers wear masks, women change hairdressers, morticians refuse to bury the dead. In Indianapolis, where a prominent preacher has broadcast the names of local homosexuals and proclaimed that they should be damned to everlasting hell, six homosexuals have been murdered in the last year.

The pattern is not new: blame the victim for the disease. If the illness is punishment from God, then the sick deserve to be punished. If the sick belong to a stigmatized group, they become scapegoats, the focus of blame for social, moral and personal ills. Leprosy, bubonic plague and syphilis have been enlisted in similar ways.

Zealotry, ignorance about AIDS, and the abiding homophobia of mainstream America have caused this rise in violence, erosion of civil rights and sluggish response of government to what some call the major health emergency of the century. Yet it is not enough to blame the zealots. What of the rest of us — the journalists, the church leaders, the lawmakers? And what of the universities?

In the controversy at S.M.U., scores of faculty and many courageous students spoke out against both the inaccuracy and bigotry of the homosexual group's opponents. The administration, on the other hand, remained studiously silent — until the day before the vote. That afternoon, in a strategic interview with the campus newspaper, the president said he had received only negative feedback from the trustees. And that evening, the Dean of Student Life authorized an off-campus dinner for 10 uncommitted student senators so they could discuss the issues with an

"expert" — none other than Paul Cameron himself. The next day, 6 of the 10 voted nay.

I am ashamed of my university — its abdication of moral leadership; the betrayal of its trust to nurture truth and tolerance; its surrender to expediency. Yet I know that this university is no worse than many others. Similar capitulations have occurred in schools, editorial rooms, rectories and legislatures all over the country. The result is the present social climate in which bigotry prospers and civil rights erode, the death toll mounts and each day, little by little, both epidemics spread.

An Open Letter to the Government of Iran:

We, as specialists in Iranian and Islamic studies, protest the hanging of 16 Baha'is, including seven women and three teen-age girls, by the authorities of the Islamic Republic of Iran in the city of Shiraz on June 16 and 18, 1983. The Iranian Baha'is have repeatedly expressed and demonstrated their loyalty to Iran. Nevertheless, they have been systematically persecuted for the mere fact that they adhere to a religion other than Islam. Such persecution and these cruel and unjust executions seem to us a contradiction of all that is best in the traditions of Islam and the Iranian people.

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Fouad Ajami, Johns Hopkins University
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ABROAD AT HOME

Reagan Sheds Reagan

By Anthony Lewis

BOSTON, Aug. 6 — Many a President has abandoned unpopular policies, denying all the while that he was making any change. But has it ever happened wholesale? That is the amazing political phenomenon of today: Ronald Reagan reversing or disavowing one after another of his positions on major domestic questions.

Hunger is the issue that made many people sit up and notice what was happening. For two and one-half years Mr. Reagan had carried out a systematic assault on Federal food and nutrition programs. Suddenly, this past week, he said he was "perplexed" and "deeply concerned" to discover that millions of Americans were hungry. He appointed a task force.

That was only the latest in a series of soft-shoe somersaults. Racial discrimination, women's rights, education, the environment: In all these areas, too, the Reagan Administration has lately presented itself in a new light of concern for humane and liberal values.

The audience watching the show may be excused if it snickers now and then. For cynicism is thick on the ground. Consider, for example, the issue of food.

Federal funds for food assistance were among the major targets of the first Reagan budget cuts. Child nutrition programs were cut by \$1.46 billion. Of the 26 million children getting free or subsidized school lunches before Mr. Reagan became President, 3.2 million dropped out of the program because of the changes he put through. Last year 2,700 schools stopped participating altogether because the new Reagan rules made it impracticable for them.

Then there were food stamps. As candidate and President, Mr. Reagan has repeatedly mocked this single most important Federal benefit for the poor, suggesting that it enabled cheaters to soak up on drink. He persuaded Congress to tighten eligibility standards in 1981 and 1982. This year he asked for more restrictions, ones that would have cut food stamp benefits for 62 percent of families using them — mostly people below the poverty line.

Announcing his new line on hunger the other day, Mr. Reagan said "I intend to find out" why Federal programs are not getting food to those who need it. Could he really be in doubt?

On civil rights, the President has expressed outrage at criticism of his policies. He told the American Bar Association that he had an "unshakable commitment to eliminate dis-

crimination against blacks, women" and other minorities.

Yet in the Reagan years civil rights groups have lost the support of the Justice Department in important test cases. Most striking was the Bob Jones case, on tax exemptions for racist schools. The President reversed a decade of government policy and ordered the exemptions granted. His assistant Attorney General for Civil Rights, William Bradford Reynolds, told a meeting of his unhappy staff that there was no reasonable argument the other way. Eight Supreme Court justices disagreed.

Mr. Reagan has made much recently of his sensitivity to women's rights. But while he talked, his Justice Department filed a brief reversing policy and arguing that a college may get Federal aid and still discriminate on grounds of gender in activities not directly aided.

There is something inoffensively comic about the way the President protests that he is not really changing — he is just correcting wrong "perceptions" of his policies. Given the record, who could believe that Ronald Reagan is passionately devoted to racial justice or thinks the Government has an absolute responsibility to prevent hunger in America? Everyone knows he is changing his policies — or at least changing his tune — for political reasons. The hard line did not sell.

But that makes a profoundly serious point about American politics. Underneath this or that election result there are enduring values in our society, and even this ideologue of a President has had to recognize them.

The environment is a dramatic illustration. Mr. Reagan's team set out with little concealment to wreck the whole structure of environmental protection. The E.P.A. was gutted, the Interior Department turned from a gamekeeper into a poacher. Now Secretary Watt is mauling his claws. And William Ruckelshaus is turning the E.P.A. around — saying candidly that the Administration had misread its "mandate" from the public.

There is every reason for those concerned with issues of civil rights, food, and so on to look skeptically at Mr. Reagan's conversion. Most of his hatchet men are still in charge; there are not many officials like Mr. Ruckelshaus.

But we have learned something important from this experience. On domestic issues, at least, the country has rejected the policies of the extreme right. Americans are committed to the principles of equal rights, human concern and care of the land.

Arts & Leisure

Readers May Look to Books For What's Not on Screen

By JANET MASLIN

As a pre-adolescent movie fan, I once read "West Side Story." That's right, read it: read the love scenes, read the rumble, and read the dance at the gym. I liked the movie, and so I accumulated, along with a soundtrack recording and a souvenir photo album, a little paperback book that more or less told its story. In view of that, I can't pretend that the appeal of movie novelizations, at least for very young viewers, is entirely incomprehensible to me. But I'm still surprised at the extent to which the novelization business has been booming.

More and more bookstores seem to have special sections to accommodate movie-related books. Under a heading like "TV/Film," you may find novels which can be thought to have had an independent, pre-movie existence, like "Sophie's Choice" or "The Executioner's Song" or even "Nicholas Nickleby"; virtually anything that's been turned into a mass media event is fair game. Interspersed among these real books are the spinoffs, which usually feature a lot of photographs from the hit movie but may or may not necessarily tell the same story. For instance, shortly after Universal announced that the plot of "Psycho II" would be kept hush-hush while the film was in production, I happened to spot a copy of "Psycho II" by the "Psycho" author Robert Bloch, in a drugstore. It told of Norman Bates's escape from a psychiatric hospital and his subsequent killing spree. This was certainly nasty enough, but none of it had the faintest connection to the film that was eventually made.

Why would anyone want to read about the new adventures of a Norman Bates anyhow, especially if the same events could be seen on screen? Novelizations presuppose that certain movie characters, like Norman, so thoroughly engage an audience's interest that the viewer can't get enough of so-and-so from the movie alone. That

can prove to be an accurate assessment when it comes to a character as popular as "E.T.," whose own point of view is described in William Kotzwinkle's prose version. ("The aged space traveler switched off his mind-radar and huddled in the closet. They were after him, with their blinding lights. They were there in the hills, covering every inch of [sic], their own mental radar telling them — the extraterrestrial is hereabouts, and we shall find him. And stuff him. Under glass.")

But not every novelization is the result of so crying a need. There are currently two different paperback versions of "Staying Alive," even though the movie itself may have been more than enough. The first of these, by Leonore Fleischer, is the stuff of which standard novelizations are made. In effect, it's a 190-page embellishment of a movie poster: "When Tony took the floor, everybody stood back and watched. Tony Manero had the moves. He pranced and strutted and jerked his hips. His eyes flashed; his gestures commanded. He was disco itself. Saturday Night came to life."

How exactly is this sort of thing stretched and padded into book-length form? With repeated overstatements of the obvious (in this case, much talk about "the sheer power and poetry of [Tony's] dancing"), and with incidental details that help create the illusion of texture. Summoning memories of the movie is the only real objective, and it reaches an even wilder extreme in the other "Staying Alive" book, this one written by William Rotzler. Both books are published by divisions of Simon & Schuster, so competition is not a factor. The second book, like the "Return of the Jedi" coloring book that competes with the picture album and the novelization of that movie, is merely an attempt to satisfy the fans' supposed demand for as much paraphernalia as possible.

Mr. Rotzler's version is printed in large type, and it's called a Plot-Your-Own Adventure Story. "YOU control the action!" the back cover declares. This means that at the bottom of page 7, for instance, there are the following

notations: "If you want to go with Tony into a fantasy of success on Broadway, turn to page 8." "If you want to see how Tony gets into a big Broadway show, turn to page 9." Or: "For the dream to continue, please turn to page 22." "For Tony to awake, go to page 23." This process culminates in a half dozen different endings, all of which seem remarkably similar ("Tony was in Jackie's arms"; "Tony's grin lit up the backstage"), and none of which quite matches what happens in the movie. Matching, incidentally, can be elusive where these books are concerned. The heroine of "Staying Alive" is called Jackie Coll in one version, Jackie Call in the other. The big Broadway show, called "Satan's Alley" in the movie, is "Inferno" here. The extraterrestrial in Mr. Kotzwinkle's book is fascinated not by Reese's Pieces, but by M&M's.

These novelizations are so weakly written, even when their authors have solid credentials (Mr. Kotzwinkle is the author of novels including "The Fan Man" and "Dr. Rat," although the "Superman III" paperback identifies him solely as "Author of the novelization of 'E.T.'"), that they should seem entirely superfluous to the fan's appreciation of a favorite movie. And yet that isn't always so. When the screen character is as empty as Tony Manero, the reader may derive some slight satisfaction from knowing where a certain dance studio is located, or how Tony felt about his mother's cooking. As E.T. runs through the forest, a description of "his long toe-moos feeling each impression with exquisite sensitivity" is offering something that the film itself doesn't provide.

When an audience is truly caught up in the spirit of a movie, the spinoff toys and books and posters become a way of establishing one's closeness to the film that's so admired. But most of these current novelizations are something different, in that they seem to arise out of the films' inadequacies, not their lovability.

Take an opening passage that reads: "The very depth of space. There was the length, and width, and height; and then these dimensions curved over on themselves into a bending blackness measurable only by the glinting stars that tumbled through the chasm, receding to infinity." This, from "Return of the Jedi" by James Kahn, is merely a hollow attempt to convey, in terms that rely solely on the visual, an image that felt hollow to begin with. And what follows — "Jabba became livid. Furiously he motioned to Oola. 'Boscka!'" — isn't anything more than a transcript of sorts, fleshed out with a tiny amount of extra detail. Even so, for the (presumably) young readers at whom they're aimed, such books may be a means of making the film itself seem more emotionally involving. To learn that E.T. is really a botanist, or that Superman feels guilty about his affair with Lois Lane, may be to feel more deeply connected with a movie than the movie itself allows.

I don't think these books would enjoy their current popularity if they functioned solely as souvenirs; there are more than enough movie-related T-shirts and lunchboxes to satisfy that need. It's more a sign that today's best-loved movie characters are on the cartoonish side, and that they're capable of exciting audiences without touching anyone very deeply.

A Great Novel is Filmed

By JAMES M. MARKHAM

MUNICH

It is a poignant irony that Werner Rainer Fassbinder's "Berlin Alexanderplatz," which has been acclaimed by some critics as a masterpiece, is the tale of a man who struggles to be honest and upright — a struggle that brings him to a violent end. The story, which is a tale of a man who struggles to be honest and upright — a struggle that brings him to a violent end. The story, which is a tale of a man who struggles to be honest and upright — a struggle that brings him to a violent end.

gagement. Franz Biberkopf drifts easily from hawking copies of the Nazi newspaper, the Völkischer Beobachter, to an underworld robbery, which costs him his right arm.

Not that the Jewish-born Döblin was apolitical. The day after the Reichstag was burned, he fled Germany, ultimately joining the distinguished colony of German exiles employed by Metro-Goldwyn-Mayer in Hollywood. At the end of the war, he returned to Germany as a reeducation officer in the French occupation zone, but found his homeland "spiritually starved and hardly aware of it." He died in 1957, a convert to Roman Catholicism, never having won the Nobel Prize for Literature that many of his peers felt he deserved.

Fassbinder had toyed with various forums for making his "Alexanderplatz." (A 1931 version by Phil Jutzi is a German social-realist classic.) He pondered doing a long but condensed film, and even thought of shooting it simultaneously with two different casts, a German and an "international" one that could make the project a hit abroad. "He got as far as drawing up lists for the two casts," recalls Harry Baer, who was one of Fassbinder's closest collaborators.

But only television could come up with a big enough budget — \$6.5 million — and so Fassbinder went the television route. He knew the novel so well that he had daubed his working copy with magic-marker colors to put Döblin's nonsequential plot into chronological order. "He had read it 14 or 15 times," says Juliane Lorenz, a film editor who lived with Fassbinder during the last three years of his life. "He wrote the screenplay in three months. It was crazy. He had it all in his mind. For Rainer it was always a movie in 14 parts. For others it was a TV series."

To play Biberkopf, Fassbinder picked Günter Lamprecht, an actor who was born on Alexanderplatz in Berlin on Jan. 21, 1930. At first the strong-willed Mr. Lamprecht thought the novel was impossible to translate into film. "I thought it was too hard," he recalled, over a cup of coffee in Cologne. But, after reading Fassbinder's screenplay, he changed his mind. "I said, 'Let's do it, it's my beer,'" Mr. Lamprecht, who put on 55 pounds

sheimer, a producer and scriptwriter who worked on the film. "If he had wanted to make a 500-hour film in 15 parts, he could have done it."

Though Biberkopf had inspired, and haunted, Fassbinder for years, Mr. Lamprecht says they never talked about the director's conception of the man — a passionate, occasionally violent but ultimately innocent and glib figure. "I don't know what Rainer's interpretation was," confessed the actor. "I must have just met it." But Fassbinder clearly saw Biberkopf's identity entwined with that of his stammering, satanic gangster friend Reinhold, played by Gottfried John. Fassbinder once wrote that together Biberkopf and Reinhold had "nothing more or less than a pure love, not endangered by anything in society."

As the film unfolds, Fassbinder's sympathy arguably tilts toward the evil Reinhold, and in an outrageous, allegorical epilogue — replete with nightmarish New Testament settings that turned the German Roman Catholic church against the film — Biberkopf capitulates to the gangster in a boxing ring, kissing him on the mouth. "Somehow Rainer preferred Reinhold more," said Juliane Lorenz, "because he is more anarchistic, because he could be evil without having a bad conscience. Biberkopf is really someone who fits into a social system."

The first West German critics, who saw "Alexanderplatz" here in Munich in a prolonged sitting, praised it as a masterpiece. Edgy, Fassbinder, who was filming "Lili Marleen," dropped by to chat with them and to glean their impressions. But, as serialization began on television, the tone of criticism changed completely. The right-wing Springer press led the attack, calling the series "an orgy of violence, perversion and blasphemy" whose "enervating pissor atmosphere" and "sleazy sex" made it "the most expensive and catastrophic failure" in the history of West German television.

Other more serious critics complained that Fassbinder's manneristic, Rembrandtesque use of light — the highlighting of faces and half-faces in darkened rooms made "Alexanderplatz" simply difficult to see.

'The Germans only recognized his genius when Americans said he was a genius.'

to round himself into the personage of the beefy transport worker, clashed at the outset of the shooting with Fassbinder, a Bavarian, over nuances of the Berlin dialect that he felt belonged in the script. Mr. Lamprecht, the Berliner, prevailed.

The 11 months of shooting went smoothly and, as usual, the fast, sure-handed Fassbinder finished ahead of schedule, rarely filming more than one take of a scene once he had it in his mind. "He was the motor, he was the energy," said Peter Märthe-

It will be a further irony of Fassbinder's posthumous appreciation if the tardy arrival of "Berlin Alexanderplatz" in the United States now reconfirms the film's standing as his masterpiece, forcing West Germans to reconsider it anew. For in his homeland it is not only the Springer press critics who have their doubts about Fassbinder. He still sits uneasily with the grudging barons of West German culture. "The Germans only recognized he was a genius when America said he was a genius," said Mr. Märtheheimer, the producer. "The U.S.A. — and France — made him in the first place."

Death snapped off a new and intriguing phase in Fassbinder's evolution, a deeply personal preoccupation with German history, which would have been an enrichment for a nation that still has not come to grips with its own past and whose youth at times seem to live in a willful state of apathetic amnesia. His preoccupation was already foreshadowed in "Lola," "Lili Marleen," and, of course, "Alexanderplatz."



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A creamy taste of the Alps

By ALEC ISRAEL / Jerusalem Post Reporter

IN THE early 1960s, Dr. Anton Hajos of Innsbruck University put together a pair of spectacles that made everything look distorted: straight lines were bent, angles were twisted, and the outlines of objects acquired prisms of colour.

People who constantly wore the spectacles adjusted to them in a few days and again saw things as they really were. The trouble started when they removed the spectacles. Then it took another few days before everything reverted to normal.

Hajos's findings might well be pondered by Israelis who feel a little bewildered during their first few days in Austria. It's not easy to take in the cleanliness of the towns and villages of the Tyrol when one's eyes have long focused on the grimy accretions of Jerusalem and Tel Aviv.

It is not easy to hear the quiet voices of glacier country after one's car-drums have been battered by countless Yossis and Rahels yelling for dear life at the slightest provocation.

And it is not easy to believe that cities can be relaxed enough to allow little and not so little old ladies to ride bicycles on busy streets when one comes from a country where it is dangerous to walk on deserted pavements.

I BECAME aware of the strangeness the moment our Arkia charter flight landed at Innsbruck.

It was the inaugural flight from Tel Aviv, and we — a few journalists on a free ride, a couple of Arkia executives, and several score veterans of the war against inflation — disembarked from a brand-new Boeing 737 to be greeted by representatives of the Tyrolean tourist office and a band of schoolchildren in waistcoats and knickerbockers making music.

"Do they know where we come from?" I asked myself, the irony of the situation not escaping me altogether.

"Have a nice landing?" an Austrian official asked with stooping seriousness.

"Incredible that we landed," I said, half-jokingly.

He laughed. "Incredible that you landed? Ha ha."

He knew better than I that Innsbruck airport sits at the bottom of a valley flanked by some pretty impressive Alpine peaks. One of the pilots had made the mistake of admitting to me that landing a plane there is a complicated procedure, especially in bad weather.

"Tricky?" I asked the pilot.

"No, I wouldn't say tricky," he said, "but there's a definite procedure to be followed."

"What exactly is the problem?"

"The descent's a bit too rapid for my liking," he said.

A few minutes before we landed, we were still thousands of feet up in the blue, looking down at the snow which remains on top of the mountains in the Innsbruck area all year round.

"The 737 is an ideal plane for Innsbruck," said the director of the airport. "And planes take off and land here all year round."

"I see," I said, gradually accepting the fact that unusual things happen in Innsbruck all year round. And, all things being equal, an Israeli tourist invasion may soon be added to the list.

THE FIRST THING that struck me, through my farsighted spectacles, was the beauty of the scenery. Nature imitates chocolate-box and calendar art here. Blue, snow-streaked peaks, green valleys and slopes, whitewashed homes showing lots of dark wood and window-boxes bursting with colourful geraniums. The scenery matches the flatter brochures; the natural colours are more than a match for Kodak's ingenuity.

And everything is clean. Even the air and the water are unpolluted, "since the only industry is tourism," as someone said. The homes here are cleaner on the outside than ours are — or at least mine is — inside. They have a fetish for cleanliness, you might say, but of course it depends how you look at it. If you're building a house hereabouts, you have two months between spring and summer in which to complete the shell and remove all outer signs of construction. It is necessary to present a pretty picture to the tourists. Paintings are not things that appear only indoors; biblical scenes and other pictures decorate outside walls, too. Children are trained from a very early age not to throw litter on the ground.

Most of the visitors are from Germany, Britain and France. The skiing is good (the Winter Olympics were held here in 1964 and 1976), and prices are lower than in Switzerland.

Innsbruck has 9,000 hotel beds. Nearby Seefeld has 8,000 beds. And Neustift has 4,000 or so.

This is no doubt of great interest to tour organizers. Being a one-bed-a-night person, I found it difficult to maintain an interest in the patter of the tourism official, who went on to tell us that Innsbruck has 4,000 restaurant seats and a population of 100,000. I think he said that Seefeld and Neustift have more beds than residents, but I'm not sure.



Downhill racer against the majestic mountains at Innsbruck

(Unipix)

One statistic sticks in my mind: Neustift has one cow per two residents. Or half a cow per person. One man one cow would be something to vote for, ultimately.

APART FROM its 8,000 beds, in some impressive hotels with sauna baths, indoor swimming pools, and private baths in the bedrooms, Seefeld has lots of cafes and tourist shops and a couple of newspaper kiosks/bookstores with about 40 English paperbacks between them and unfriendly sales personnel.

After you've taken a bath, tried the sauna and gone for a swim, you should be almost as clean as your surroundings. At which point you'll venture forth, into the surroundings, and wonder what to do next. Chances are you'll sit at an outdoor cafe (rain permitting) and relax.

People come here to relax. And relaxing means chocolate cakes with cream, ice-cream with mulberries and cream, applestrudel with cream, cream with cream. A clean glutton's dream.

At the Veronika Hotel, we met the proprietress and her son, who were genuinely friendly and welcoming.

Their four-star establishment is usually fully booked. They could get an additional star, but do not want to push their staff to inhuman extremes, they said.

After dinner, we walked to the casino in the centre of town, near the church with the tallest steeple. (In the Tyrol generally, if you want to find the centre of a town, head towards the most conspicuous church.)

Minimum bets are a fairly low 20 schillings (app. IS\$4) — the idea being to make it possible for the average holidaymaker to have some fun. In a relaxed atmosphere. But don't be fooled. Large amounts are

won and lost here. I put my precognitive perception to the test and flunked. Not one of more than 30 guesses/hunches proved correct at a roulette table.

The point about Seefeld, before I move on, is that it's "No. 1 for sports." It has 100 km. of cross-country tracks, 17 cable cars and lifts, a ski school with 200 instructors, 30 indoor swimming pools and saunas, an artificial skating rink, a natural ice-skating rink, 50 km. of cleared winter walks, four covered tennis courts, two riding stables and squash courts.

OUR NEXT STOP was Neustift, about 25 km. from Innsbruck and the centre of tourism in the Stubai Valley.

Dropping our bags at the sybaritic Jagdhof Hotel, where the service can be so unobtrusive as to be non-existent, we headed for the Stubai glacier, which offers skiers 12 square kilometres of snow and glacier and comprises the largest year-round ski area in Austria.

Two modern gondola lift systems operate to the "Eisgrat" top station, 2,900 metres above sea level; a glacier lift takes you to the Stubai "Eisjoch," at 3,200 metres.

Nature, here, imitates the movies (Hitchcock or James Bond, I forget which). There are no words to convey the majestic grandeur of this Alpine area.

Thorolf Dold, the president of the local tourist office, accompanied us to the restaurant that sits about 3,000 metres up in the sky and told us about his plans to bring more tourists to Neustift. The good man works with Eli Lande of Ophir Tours in Tel Aviv and has been dealing with Israelis for about a year already. Lande offers a one-week package for \$399, plane fare included.

Thorolf, who must be in his 30s and clearly has a lot of energy, arranges free guides and free hikes for visitors. He told us about Tyrolean tourist passports which entitle visitors to greater reductions on accommodation and so on each time they come. Israelis today get 5 to 10 per cent reductions and are covered by a health-insurance scheme from the moment they step off the plane.

INNSBRUCK, where we caught the plane back, is an old university town with impressive museums, cathedrals, parks and a river (the Inn) that runs through it (see Michelin's green book). It is clean and self-consciously pretty, as you might expect by now, and perhaps a little dull.

One night, we went to a show of Tyrolean folklore in an old beerhall that brought back memories of cavernous old cinemas in the colonies, with overhead fans and elderly British faces, crustacean pink under cotton wool hair.

The yodelling, stamping, clapping, slapping, whistling, hopping and kicking, to the accompaniment of accordions, zithers and other music makers, was too authentic to be dismissed as a watered-down act of dishonesty for paying visitors.

In the streets of Innsbruck at night, bored adolescents drink too much and amuse themselves by pestered passers-by.

I saw this as innocent horseplay, a harmless nuisance. But I could also understand those — with slightly longer memories than mine — who found it traumatic.

pathetic performer.

Isidra's reading of all the pieces stood out, first and foremost, for their always relaxed (although never dragging) movement and the smooth and perfectly controlled sound picture. She prefers mellow sonorities to masses of sound (unlike too many organists).

The audience emerged from the church convinced that Isidra has a very personal relationship with this instrument, and that she has matured in the last decade as an artistic personality, ranking among the leading performers on the organ.

Superior organist

MUSIC / Yohanan Boehm

intervening years, I was amazed to hear the difference in the sound of the instrument under her fingers.

In my review of the concert she held on June 3, 1972, I praised, among other things, her intelligent exploitation of the rather limited resources; this "handicap" was again ingeniously circumvented by

the soloist, who almost succeeded in making us forget the lack of a sonorous bass and other missing registers. The organ on this evening sounded richer, smoother, warmer, more intimate, and more appealing than it usually does, proving that it can reveal its soul and rich qualities through the medium of an em-

ORGAN RECITAL — Kazuko Ishida, Japan (Church of the Redeemer, Old City of Jerusalem, August 4). Recital: Prelude in C; Widor: Choral Fantasia; Bach: Prelude in E Minor; Bach: Concerto in A Minor after Vivaldi; Chorale-Preludes: Fantasy and Fugue in G Minor.

THE VISIT by organist Kazuko Ishida evoked several reactions. It was Ishida who, 11 years ago, started the recitals at the Church of the Redeemer which have become an integral part of Jerusalem's musical life (even spilling over to the Dormition Abbey on Mt. Zion) and many old acquaintances came to hear her again. After sitting through so many recitals during the

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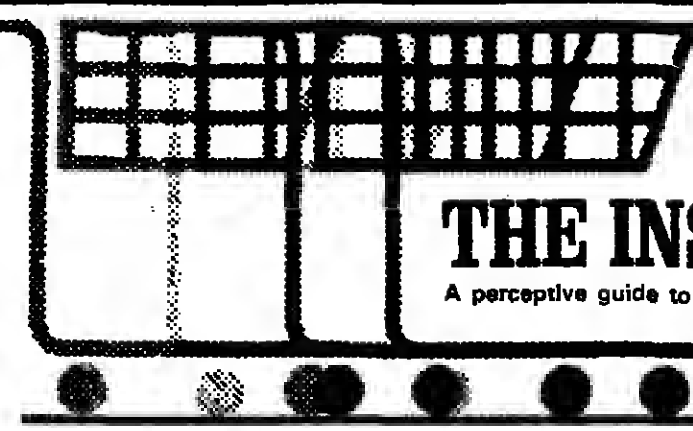
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(Advertising Section)

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Stock market bargains

By MACABEE DEAN
Jerusalem Post Reporter

TEL AVIV. — There are 23 "bargains" today on the stock market. Meitav, a financial consultancy firm, announced yesterday. Moreover, another 85 can be picked up at a "reasonable economic price."

Meitav, which has established a reputation for accuracy — most of its reports are definitely gloomy — does not pinpoint the "bargains" or those which can be picked up at a "reasonable economic price," but does note that most of them are among industrials.

The firm lists both categories as follows:

Category	Bargains	Reasonable economic price	Total number of stocks in category
Industrials	10	47	102
Land development	7	15	40
Investment companies	2	4	31
Insurance companies	1	4	13
Financial institutions	0	1	6
Trade & utilities	2	7	25
Petroleum	1	3	9
Mortgage banks	0	0	9
Commercial banks	0	2	14
Totals	23	85	249

However, the "bargains" and the "reasonable economic prices" are the result of an ongoing fall in the prices of these stocks for a considerable time, a "fact" which has been hidden because the prices of the commercial banks have remained steady and have distorted the entire picture. These commercial banks constitute about 60 per cent of the value of the entire market.

"It is the free shares which have taken a terrific beating," Meitav notes, but adds that even here the picture is uneven.

For example, the average price of all stocks among industrials, insurance companies, trade and utilities, and financial institutions has returned to the level of November-December 1980. "That is to say," Meitav notes, "all the real profits have gone with the wind." The average price of stocks among land development companies has retreated to April, 1982; among investment companies to August 1982; and among mortgage banks, to December, 1982.

"Only the prices of commercial banks have continued to rise in real terms and have established a new real record."



Bernard Kohn, general manager of the Jerusalem Plaza Hotel, arrived by helicopter at Masada, to greet 88 people who celebrated their bar and batmitzva there. The 88 celebrants of all ages were presented with the congratulatory cake as a gift from the Jerusalem and Tiberias Plazas. Together with their families, the 88 read from law scrolls in the synagogue while the sun rose over Masada. (Isaac Harari)

Insurance leader says women workers neglected

By MACABEE DEAN
Jerusalem Post Reporter

TEL AVIV. — The insurance industry in Israel is seriously neglecting the woman worker, Moshe Perag, general manager of Menora Insurance, wrote in the monthly journal of the Israel Insurance Association recently.

Although there are no figures in Israel on how many working women have taken out insurance policies, especially to cover such matters as sickness and invalidity, he believes that the "figure is quite low." Yet in the U.S., some 68 per cent of all working women have such policies.

Perag notes that the number of women employed in outside work (i.e., not as homemakers) has shot up in the past two decades. "And the reason is that their salaries or wages are needed to supplement those of their husbands. And since this is so, there is no reason why these women, who contribute so much to the household budget, should not take precautions against falling sick or invalidity, which could seriously hurt this family budget."

In 1960, 25 per cent of the labour force consisted of women, while in 1980 (the last figures available), the figure jumped to almost 40 per cent. In these same two decades, the number of men in Israel's labour force rose by 54 per cent, from 521,900 in 1960 to 801,900 in 1980. "During this same period, the number of women in the labour force rose by 152 per cent, from 179,900 in 1960 to 452,000 in 1980," says Perag.

Moreover, while the "head of the family" (the husband) contributed 75 per cent in 1960 to the household budget, his contribution fell to 68.4 per cent in 1980. The share of the working wife rose in these two decades from 11 per cent to 15.5 per cent. (The rest of the family income came from other sources.)

Perag also notes that although many wives stop working as their family grows, a goodly percentage of them return to work after the children have grown up. In neither the first nor the second working period should the working woman be neglected as a beneficiary of the insurance industry, he says.

Western sanctions said to cost Poland billions

WARSAW (AP). — The U.S. and its allies should be forced to pay Poland "several billion" dollars compensation for sanctions imposed after the declaration of martial law, a senior Polish official was quoted as saying.

"Losses are accumulating every day," deputy planning commission chairman Stanislaw Dlugosz was quoted as saying in a recent interview with the Communist Party newspaper *Trybuna Ludu*.

"As of today, losses amount to several billion dollars, in other words, about 10 per cent of our gross national income," he said.

In 1981, Poland's gross national income was 2,412.7 billion zlotys at (\$25.4, at 1983 exchange rates) or about equal to its debt to western banks and governments.

"We have the right to demand compensation," Dlugosz said, citing the final declaration of the 1975 Helsinki accord on European security as the legal basis for his claim.

The Polish media have welcomed us a "positive step" movement by Washington and its allies to lift the economic sanctions imposed after the December 13, 1981 declaration of martial law and the suspension of Solidarity, the Soviet bloc's only independent trade union.

The most onerous of the sanctions has been a freeze on new credits to Poland and the refusal of western governments to discuss rescheduling repayment of Poland's massive debt.

U.S. House approves \$8.4b. IMF funding

WASHINGTON (AP). — The House of Representatives ended several weeks of controversy and by a six-vote margin approved President Ronald Reagan's plan to increase the U.S. contribution to the International Monetary Fund by \$8.4 billion last week.

After nearly five hours of debate, the bill was approved 217-211. It now goes to a conference committee.

Reagan and Treasury secretary Donald Regan have pushed for the proposed legislation as a way of bolstering the international lending agency's attempts to stabilize the international financial system and help debt-squeezed developing nations.

Your money & your questions

By JOSEPH MORGENSTERN
Post Finance Reporter

QUESTION: In keeping with generally accepted wisdom that mutual funds are a suitable vehicle for diversification for small investors, I bought a "balanced" fund at the beginning of July. At the end of the month it was worth considerably less than what I paid. Was I wrong in my investment decision?

ANSWER: One month's record of performance should certainly not be considered an adequate measure of the validity of an investment. Various mutual funds have differing investment policies and this should be looked into before investing. Mutual funds which specialize in shares will obviously not perform well in periods when share prices are falling rapidly.

QUESTION: The law allows Israelis to hold \$500 or its equivalent in other currencies in their possession. Is there any supervision?

ANSWER: It is neither possible nor desirable for the Treasury to check safe deposit boxes. Under the present system, any Israeli may purchase \$500 in cash from as many bank branches as he wishes on any given day of the week. A suitable way to control illegal purchases could certainly be found, should the Treasury wish to do so.

QUESTION: I subscribed to two recent new share issues and found that not only was I allocated more than I wanted, but that these holdings fell

sharply when they were registered for trading. What did I do wrong?

ANSWER: Unless you are an out-and-out speculator, you should not order more of a new issue than you are prepared to buy. In a falling share market it is unlikely that new share issues will do well. The major banks are currently delaying decisions on entering new underwriting activities. Finally, if a new issue went sour, you may consider the shopkeeper's old motto — "The first loss is the best loss."

QUESTION: The American quoted shares of Elscit, Elron and Sotex have recently tumbled in price. In some cases, quite considerably. Do you suggest that I call it quits?

ANSWER: High-technology shares have received sharp knocks on the American securities markets. It is no wonder that our Israeli high-technology shares participated in the falling market. Over the long haul, however, our high-technology shares should perform satisfactorily.

QUESTION: What is your feeling about the relative strengths of the dollar, German mark, Swiss franc and Japanese yen?

ANSWER: The dollar's recent strength derives from a number of reasons, one of these being the high rate of interest obtainable for dollar deposits vis-a-vis those available for non-dollar currency deposits. I would think that the dollar's strength has not peaked as yet and that moving into non-dollar currencies must at best be considered a speculative investment.

650,000 shares offered by Fibronics

Post Finance Reporter

Elron Electronic Industries Limited has announced that its majority-owned subsidiary, Fibronics International Inc., has filed a registration statement covering an initial public offering of 650,000 new shares of Fibronics common stock. The offering will be managed by Bear, Stearns & Co.

Elron also stated that it intends to purchase an additional 65,000 new shares of common stock from Fibronics at the initial public offering price, which is estimated to range between \$10 and \$12 per share.

Fibronics expects to use the

proceeds of the offering for product development, expansion of marketing, sales and service operations, new production equipment and facilities and working capital. Fibronics designs, develops, manufactures, sells and services fibroptic high speed data transmission and distribution systems which connect mainframe computers to peripheral equipment, primarily in local area networks.

AGREEMENTS. — Morocco and Libya have signed agreements on trade, culture, labour and social security, following a three-day visit to Tripoli by a high-ranking Moroccan government delegation.

Arab-Hevrat Ha'ovdim firms planned

Jerusalem Post Reporter

BEIT JANN. — Several Arab entrepreneurs have agreed to form joint companies with the Histadrut's Hevrat Ha'ovdim (holding company), the first time such joint ventures have taken place, the labour federation's secretary general Yeroham Meshel said.

One company is expected to be formed — in part — by 10 Arabs each investing \$200,000, a well placed source in Hevrat Ha'ovdim told *The Jerusalem Post* during a tour Meshel conducted through Arab villages in the Galilee. Seven Arabs have already agreed to take part in the venture and three more are expected to join, he said.

The proposed company still has no name and it is not yet clear in

what it will invest its resources.

Meanwhile, at a meeting in Koor several days ago, it was agreed to form a Jewish-Arab company in which each participant would invest \$50,000 to make up a total of \$2 million. Twenty people have already agreed to join the company, which is to build hotels and rest homes in the Arab sector.

Meshel has often talked about the need to increase Hevrat Ha'ovdim activities in the Arab sector and during his tour he heard complaints about the lack of ventures.

Youssef Kara, of Hevrat Ha'ovdim, said actual work had been slow — possibly because Arabs did not want to invest money in projects which may only start to yield in five years time.

Danish bank to give loans to importers

Jerusalem Post Reporter

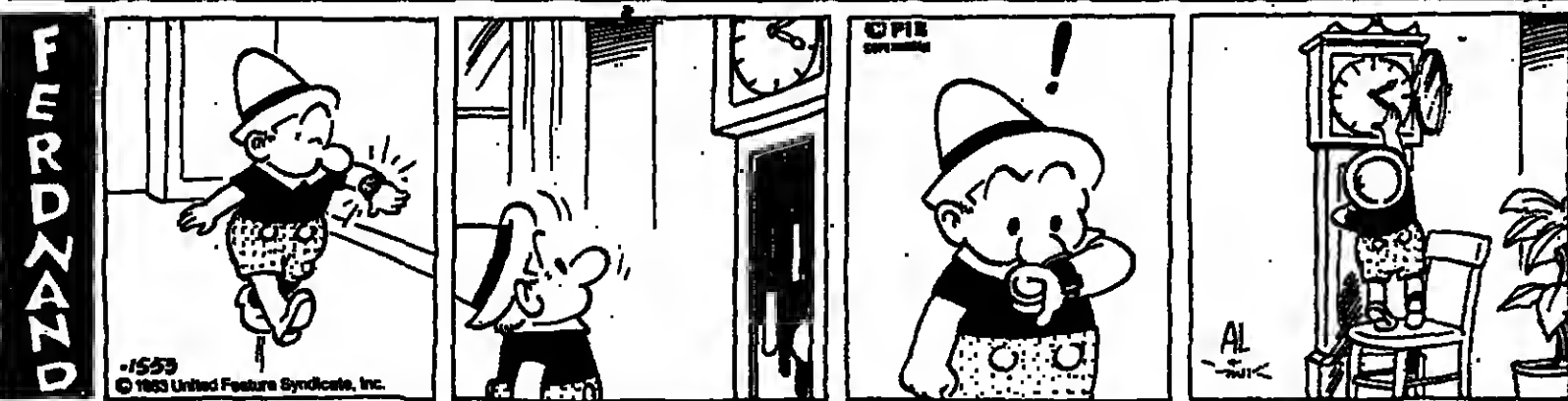
TEL AVIV. — Bank Discount has reached agreement with a Danish bank, which will finance the export to Israel of industrial food processing, electronics, plastics and agriculture equipment.

Discount said Israeli importers will be given up to five year loans at low interest rates, to be repaid in Danish kroner.

Since this currency fell by 14.5

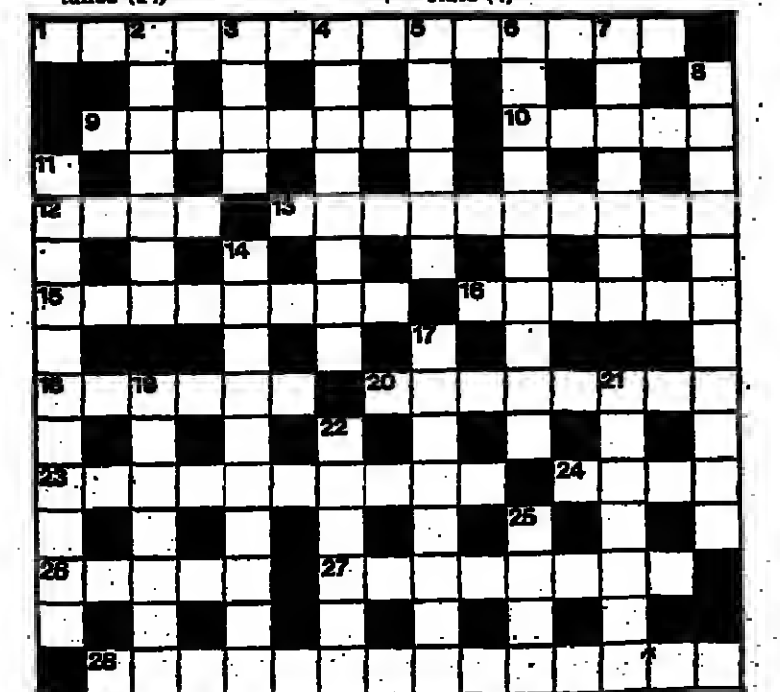
per cent, compared to the American dollar, in 1982, and has fallen by another 14.7 per cent in the first seven months of 1983, the proposal is very "attractive," the bank noted.

PRICE CUT. — Gulf countries have cut their selling price for low-octane petroleum gas to a uniform \$270 a tonne, oil industry sources said yesterday.



ONE-AND-ONE CROSSWORD

- ACROSS**
- Hull's crowning glory at the shipyard? (14)
 - Where one is uncluttered with foreign capital (8)
 - Defraud and leave an overseas banker (5)
 - Issue Cockney instruction on untidy bit of skirt? (4)
 - Cosmetic left Horatio in a lather (4, 6)
 - Eye a bespectacled monarch who likes touring around (4, 4)
 - Mountain lass in India (6)
 - Number at speed restrained (6)
 - Predicament for an American motorist, however hard-working (8)
 - For example Virgil's masterpiece (6, 4)
 - Cross, one bears, and uncouth (4)
 - Prized inventor of dynamite (5)
 - Sweet, say, I cry out for (5)
 - Prudence observed at a distance (14)
- DOWN**
- Covering the wine firm I enter? (7)
 - Was repentant for sounding (24)
 - Deceptive as Big Ben? Not half! (3-5)
 - Unreal broken bone (6)
 - Revolutionary device fitted to the car, taking me in (10)
 - Cause of tears right at the finish (7)
 - It may be useful to stick around with trouble afoot (4, 7)
 - Substitute for Peter McLean (11)
 - Gatekeeper at the College of Heraldry? (10)
 - Live turn liable to be deadly (8)
 - Garble a branch of mathematics (7)
 - Train wedding an old coin between the points (7)
 - Contending successfully with a course of masonry (6)
 - Some clear idea of a desert state (4)



GENERAL ASSISTANCE

EMERGENCY PHARMACIES

Jerusalem: Kupat Holim Clalit, Romema, 22191, Bnei Zion, Salah Eddin, 272315, Shufat, Shufat Road, 810108, Dar Eldava, Herod's Gate, 282068.
Tel Aviv: Ramat, 173 Dizengoff, 222386, Kupat Holim Leumi, 4 Heftman, 268271, Netanya: Ilamir, 82 Patah-Tikva, 40967, Haifa: Yavne, 71th Sina, 672388, Harman, K. Mevitar, 715136.

DUTY HOSPITALS

Jerusalem: Biku'r Holim (pediatrics), Hadassah P.H. (internal, surgery, orthopedics), E.N.T. Misgav Ladach (obstetrics), Shure Zedek (ophthalmology).
Tel Aviv: Rosh Hadim (internal, surgery), Netanya: Lamlado (obstetrics, internal, pediatrics, gynecology).
Misgav Ladach: Open line 4-6 p.m. every Monday afternoon in obstetrics, gynecological, surgery, sexual functioning and family planning problems. Tel. 03-633356.

POLICE

Dial 100 in most parts of the country. In Tiberias dial 924444, Kiryat Shmona 40444.

FIRST AID

Magen David Adom first aid centres are open from 9 p.m. to 7 a.m. Emergency home calls by doctors at fixed rates. Sick Fund members should enquire about rebate.
Phone numbers: Jerusalem, Tel Aviv, Haifa — 101, Dan Region (Ramat Gan, Bnei Brak, Givatayim) — 711111.
Ashdod 2227, Ashkelon 23333, Bat Yam 585556, Beer-Sheva 78333, Eilat 72333, Haifa 23333, Hadera 8031334, Nahariya 923333.

"Eilat" — Mental Health First Aid, Tel. Jerusalem 669911, Tel Aviv 253311, Haifa 538-888, Beer-Sheva 48111, Netanya 35316.

Rape Crisis Centre (24 hours). For help call Tel Aviv, 1234819, Jerusalem — 810110, and Haifa 82791.

FLIGHTS

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03-295555 (20 lines)

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PER PERSON ROOM ONLY SINGLE ROOM ONLY
\$1495 \$2495
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VAT INCLUDES TAX WHEN APPLICABLE
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Dr. Shmuel Golding
of
Vikmah V'Du Siach
needs urgently to rent a House or Large Apartment suitable for office and possibly also residence. Must have one large room and 3 or more small rooms.
Must be central.
Telephone essential.
Contact Dr. Golding, 02-247718, 02-785802.

Yesterday's Solutions

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100
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QUICK SOLUTION
ACROSS: 1 Ghost, 4 Bandy, 10 Goshawk, 11 Amsel, 12 Elect, 13 Intense, 14 17 Frank, 15 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38 39 40 41 42 43 44 45 46 47 48 49 50 51 52 53 54 55 56 57 58 59 60 61 62 63 64 65 66 67 68 69 70 71 72 73 74 75 76 77 78 79 80 81 82 83 84 85 86 87 88 89 90 91 92 93 94 95 96 97 98 99 100.
DOWN: 1 Place of learning, 2 Intellectual, 3 Lukewarm, 4 Small cucumbers, 5 Bird, 6 Short, 9 Many roots (anag.), 14 Chest, 15 Vogue, 16 Playhouse, 19 Delighted, 20 Pastime, 21 Evidence.

Joint productions in cooperation with B. Strum

JAMES EARL JONES

IN MASTER HAROLD

...AND THE BOYS
WRITTEN AND DIRECTED BY ATHOL FUGARD

HAIFA — Municipal Theatre — Aug. 17, 18, 8.30 p.m.
JERUSALEM — Jerusalem Theatre — Aug. 20, 27, 8.30 p.m.
TEL AVIV — Tel Aviv Museum, Aug. 24, 25, 30, 8.30 p.m. Fri., Aug. 26, 2.30 p.m.
In cooperation with the Tel Aviv Museum
The performances in the Wohl Amphitheatre, Hayarkon Park, are cancelled.

TICKETS:
HAIFA — Kupat Haifa, 11 Barzilai, Tel. 04-822444, the box office and agencies.
JERUSALEM — box office, Tel. 02-587167, and agencies.
TEL AVIV — Hadassah, Tel. 248787, agencies, and the box office.
RAMAT HASHARON — Hasharon, Tel. 03-494786.
ARAD — At the Maimonides.
CARMEL — Heichal Eshatut, Tel. 04-987951.

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DISCOUNT FOR STUDENTS

תרבות ודיסקוט » תרבות ואמנות

Modest gain for the share market

TEL AVIV. — In what most observers described as a technical rebound, the share market achieved a modest gain yesterday. After four consecutive sharply losing sessions, last Thursday the selling pressures ended.

Yesterday the General Share Index was able to post a rise of 0.36 per cent, when leaving out the commercial bank shares. Industrials and oil issues were the only ones to wind up on the losing sides as all other groups of trading moved ahead.

Even the highly volatile shares showed, on balance, more winners than losers. There were three "buyers only" situations. In addition there were 56 securities that carried out gains of more than five per cent while only 35 others fell by similar amounts.

Fundamentally, very little has changed in the past three days. No earthshaking economic moves have been announced by the Treasury. Most individuals are becoming accustomed to the propensity of the Treasury to speed up the rate of devaluation of the shekel.

Interestingly enough, the acceleration of the devaluation pace began in the early part of July, coinciding exactly with yesterday's report by The Jerusalem Post's Asher Wallfish which stated that "Begin attended a small secret meeting at the beginning of July, and backed a proposal to narrow the gap between the exchange rate and the cost-of-living index." Last week alone, the first week of August, saw a devaluation in the order of 3.5 per cent.

The commercial bank shares continued their quiet daily gains, of 0.2-0.3 per cent. Danot 1.0 was a big winner with a 10 per cent upward jump. FIBI and the shares of First International were unchanged. Maritime Bank of Israel 0.1 was 3.8 per cent lower while the 0.5 shares eased by 1.1 per cent.

Moderate gains punctuated the mortgage bank group with Merav up 4.5 per cent.

Tel Aviv Stock Exchange

By JOSEPH MORGENSTERN

In the specialized financial institution sector, Shiloh and Agricultural Bank both raced ahead by margins of 10 per cent.

Insurance equities were slightly higher. Ararat 0.5 and the Ararat 0.1 issue moved in opposite directions as the former advanced by 9.9 per cent while the latter fell nine per cent. The Hadar shares were both up by more than 4.6 per cent; however, the Hadar option was cut down by 14.3 per cent. Securitas was a five per cent winner.

Service and trade company shares were also somewhat higher. Lighterage 0.1 was 9.7 per cent higher but Galei Zohar declined by 7.9 per cent. The options in this particular group moved ahead quite strongly while the shares showed considerably more moderate appreciation.

Land development, real estate, and citrus plantation issues were also on the plus side. Israel Citrus Plantation 0.5 picked up a full 10 per cent. HLB Investments 0.1 advanced by 1.7 per cent while the 0.5 issue was 3.8 per cent higher. Industrials, as a group, declined by 0.3 per cent. Alliance was a 10 per cent loser while Gal Industries 1.0 was 9.4 per cent lower. Elbit was 2.2 per cent down but Elron eased out a 0.5 per cent rise. Israel Petrochemicals 10 was an 8.2 per cent winner. Polygon maintained its winning ways and tacked on 9.7 per cent. Tagal 1.0 was up by 10 per cent, as was Taro.

Investment company issues were the share market's best performing sector with a gain of 1.1 per cent. The Israel Corporation 1.0 shares were 6.6 per cent higher. Elgar(r) and Elern(b) were both ahead by similar amounts. Wolfson 0.1 wound up as "buyers only." Clal Trade however, was hard hit and absorbed a 9.7 per cent loss. Clal Israel 10.0, on the other hand, was up by nearly five per cent. Clal Industries gained two per cent while landeco 0.1 rose 10.1 per cent. Piryon recorded a three per cent rise.

The index-linked bond market was relatively unchanged as trading activity subsided and barely eclipsed the IS342 million level.

Katzman-Adler Industries Ltd. shares did not trade yesterday as the industrial concern announced its fiscal results for the year ending March 31, 1983. Sales totalled IS\$28m, as compared with IS\$25m, a year earlier. The net profit stood at IS\$7.6m. In contrast with IS\$27.9m, a year ago. The profit, adjusted for inflation, came to IS\$7.0m, as compared with a profit of IS\$4.2m in the preceding fiscal year.

Commercial Banks

IDB p	2,700	-2.90	-2.9
IDB r	2,700	-2.90	-2.9
IDB p	2,700	-2.90	-2.9
IDB r	2,700	-2.90	-2.9
IDB p	2,700	-2.90	-2.9
IDB r	2,700	-2.90	-2.9
IDB p	2,700	-2.90	-2.9
IDB r	2,700	-2.90	-2.9
IDB p	2,700	-2.90	-2.9
IDB r	2,700	-2.90	-2.9

Land, Building, Citrus

Land	100	-1.0	-1.0
Building	100	-1.0	-1.0
Citrus	100	-1.0	-1.0
Land	100	-1.0	-1.0
Building	100	-1.0	-1.0
Citrus	100	-1.0	-1.0
Land	100	-1.0	-1.0
Building	100	-1.0	-1.0
Citrus	100	-1.0	-1.0
Land	100	-1.0	-1.0

Financing Institutions

Shiloh	100	-1.0	-1.0
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Shiloh	100	-1.0	-1.0

Services

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Commercial Banks

General

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Utilities

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Land, Building, Citrus

General

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Building	100	-1.0	-1.0
Citrus	100	-1.0	

Ari Rath
Editor and
Managing DirectorTHE JERUSALEM
POSTErwin Frenkel
Editor

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Menahem Av 29, 5743 • Shawwal 29, 1403

What's in a sentence?

CREDIT IS DUE to the Tami leaders for their prompt and forthright condemnation of the cries of anti-Sephardi bigotry raised after the announcement yesterday of the Supreme Court's decision in the second case of ex-minister Aharon Abuhatzira.

The decision could only have come as a bitter disappointment to Mr. Abuhatzira, and his followers. Mr. Abuhatzira lost his appeal against a 4½ year suspended sentence he had received from the Tel Aviv District Court last year for stealing state funds channelled into a Ramle charity named after his own father. While the Supreme Court found the system of allotting Interior Ministry funds to such charities through municipalities to be highly reprehensible, it considered Mr. Abuhatzira's conduct to have been inexcusable, and it, in fact, toughened up his sentence, at the state's behest, to three months in jail.

There may, indeed, have been many more than just family members and Tami faithful who leapt to the conclusion yesterday that the verdict in Mr. Abuhatzira's case could only be accounted for on grounds of ethnic prejudice. Yet the ex-minister, for all that he had made the ethnic argument a platform from which to launch his own independent political career, this time slapped his well-wishers down hard. So did his adjutant, Ben-Zion Rubin.

Mr. Abuhatzira, however, although now pronounced guilty by the highest tribunal in the land, remains unrepentant, and so does his party. The fight to clear the party leader's name goes on unabated. For one thing, we are given to understand, yesterday's verdict need not be the last word. There may yet be an appeal to the president of the Supreme Court for a reconsideration. This is likely to fail, for the decision did not have any startlingly harsh or innovative aspects that would, on the face of it, merit such a move.

But that is not all. Mr. Rubin, who is the deputy labour and social affairs minister, yesterday gave the coalition two weeks to agree to a commission of inquiry into the conduct, supposedly unseemly, and politically motivated, of the police in the Abuhatzira case. This, on the theory that the courts reach their conclusion only on the basis of the evidence presented to them by the prosecution — as though the defence were not part of the legal process.

The minister of labour and social affairs, Aharon Uzan, who took over from Mr. Abuhatzira when the latter resigned his cabinet seat following his conviction last year, himself appears to have some doubt about the usefulness of this threat. But the threat has been aired, and it is still to be withdrawn.

Tami will also expect the Knesset House Committee not to suspend Mr. Abuhatzira's parliamentary rights, for the duration of his stay in jail, as it is entitled, to do under a recent amendment to the law. The reasoning must be that the Likud is not particularly anxious to lose Tami as a present coalition member, and that the Alignment would not wish to write it off as a possible future ally. The reasoning apparently reflects correctly the political realities.

Finally, Tami has every reason to hope that, once Mr. Abuhatzira leaves jail, he will be restored to his cabinet seat. In the next election, whether it is early or late, Mr. Abuhatzira will be Tami's standard bearer again, leading the good fight for communal divisiveness under cover of national unity.

It is some years now since a cabinet minister took his life because he feared that his name might have been tainted with the charge of corruption. Today a conviction for a crime involving moral turpitude is not held a bar to a thriving political career. For this, credit goes not to Tami alone but to the entire party system.

BUDGET TALKS

(Continued from Page One)

drastic economic measures, but he insisted that an open cabinet debate on this programme would only be held after the cut in the budget was approved, since he felt that without the cut, there would be no meaning to any economic plan.

Treasury officials said yesterday that the ministry plans to introduce the additional measures envisaged gradually, with the pace of introduction dependant on the pace of implementation of the cut.

The officials said that the ministry is worried by the large quantity of foreign currency purchased by the public during recent weeks. Specific moves to combat the purchases have not yet been resolved.

The officials did not deny that the coming weeks would see an ever-increasing rate of devaluation.

"We will not repeat the error of 1977, when the pound was devalued and a new policy introduced, without a proper cut in the budget — a factor that doomed that programme," they said.

Industry and Trade Minister Gideon Putt told reporters after the meeting that aspending in the rate of devaluation would take place in

the coming weeks. He said that devaluation would be smaller than that expected by speculative purchasers of foreign currency.

Former Defence Ministry director general, Dr. Pinhas Zussman, told the meeting that the cuts in the budget, including those in the Defence Ministry, were a necessary prerequisite to the success of any future measures.

Also present at the cabinet meeting was Professor Eitan Berglass, a former director of the Treasury's budget division. He told the ministers that overspending in welfare is a world problem. There is a strong link between welfare outlay and Israel's balance of payments problems, he said.

Labour and Social Affairs Minister Aharon Uzan said after the meeting that in his opinion the cuts should affect mainly higher income groups, and should not be felt by the poorer strata of the population — a hint that he may oppose what he feels is too strong a burden on the welfare budget.

Defence Minister Moshe Arens is also among those opposing Aidor's proposals. He has stressed that the defence establishment will not be able to absorb a large cut in its activities without jeopardizing security.

The Treasury feels that Arens is in the minority on this issue within the cabinet, and that the ministers, including Prime Minister Menachem Begin, strongly support the demand for a large cut in Defence Ministry spending. Meanwhile, Histadrut secretary general Yehoram Meshel yesterday said the Labour federation was opposed to Treasury measures that would ease the economic crisis by cutting into social welfare benefits.

Rule of the ghetto

By ALEXANDER ZVIELLI

IT IS HARD not to have a sentimental reaction to the venerable Agudat Yisrael sages in their traditional attire. They are, unfortunately, our sole reminder of a world that exists no more. We may worry, somewhere in our bones, that the wisdom of that world has been lost, but our nostalgic longings should not blind us to historical fact. And the true history of Agudat Yisrael — whether in Poland, Hungary or elsewhere in Eastern Europe — is a sad, almost tragic, tale of lost opportunities and a complete misunderstanding of both the essence of Judaism and Jewish reality in the Diaspora.

From the day the movement was founded at Katowice in May 1912 until the Holocaust, the record of Agudat Yisrael is one of systematic efforts to hamper the restoration of Zion. It was due to the Aguda's efforts that Zionism lost much of its impetus and the force needed to speed up the establishment of a Jewish state. The kind of thinking Agudat Yisrael fostered left the Jewish people vulnerable and hardly prepared them for the onslaught of Nazism.

Agudat Yisrael was a powerful force in Poland between the two world wars, one that perpetuated ghetto-like existence and vigorously opposed immigration to Eretz Yisrael.

Since 1912 it has been a worldwide movement that at all costs devoted itself to maintaining tradition and preventing assimilation, and any political trends that could undermine its supremacy. In the name of Halacha, it has used economic clout, terror tactics and other not always pleasant or ethical maneuvers to "persuade" Jews to live by Jewish law. The Polish leadership of Agudat Yisrael at times joined forces with an anti-Semitic government in order to strengthen its influence in fighting the Zionist cause. And the Poles warmly responded to a movement that intended to keep the "bloody Jews" in their place. Now, on the threshold of the 21st century, the Aguda is dedicated to a mode of life guided not only by Halacha, but also by ghetto customs and practices. Its policies are still modelled on methods, tactics and principles forced on the Jewish people centuries ago by their Christian antagonists.

AS SOMEONE born and educated in Warsaw, in the very heart of the Jewish district, I distinctly remember how Aguda rabbis and educators fought Zionism tooth and nail. They used their press to argue against settlement on the Land of

Israel in any form whatsoever. The great *zaddikim* regarded Zionism as a destructive influence on Jewish youth, both from the social and religious viewpoint. The revival of Hebrew as a secular language was considered sacrilege. In elections to the Warsaw Religious Council, the Aguda held a crucial 20 or more per cent of the votes and used them to fight Hebrew education. They were chiefly interested in pure political power and the rule of chosen, trusted rabbis as the supreme Jewish leadership.

They thus fostered assimilation, instead of trying to prevent it, for thousands of Jews were allowed by the Poles to stop paying dues to the council and its standing in the community was undermined.

The three major political groupings, Aguda, the Bund and the Zionists, could never agree on anything, and the sad result was that the Poles imposed their own candidate upon the council and gave him full powers. Such an arrangement suited Agudat Yisrael, and the Poles, as I have mentioned, liked Jews who knew their place, right in the ghetto.

Agudat Yisrael was successful in keeping the Jewish masses in that ghetto. Yeshivot and religious institutions were well provided for, at the expense of productive occupations. In this, Agudat Yisrael closely followed the intentions of the Catholic Church, which throughout the centuries forced the Jewish masses into the most despised occupations. Jews were moneylenders and other kinds of exploiters, since they were not permitted to settle on the land.

Not all of the Aguda leaders were sages devoted to Torah. The movement included unethical manipulators who controlled many public institutions that were a major source of employment. Power corrupts, but there seems to be nothing worse than power based on religious fanaticism and indoctrination. Woe to a Zionist who sought employment.

The father of veteran Mapam leader Ya'acov Hazan, who was an ardent Zionist and a rabbi, had to leave Brisk, (where Menachem Begin was born) because of the painful harassment he suffered at the hands of the local Aguda leadership. Aguda made use of a vast system of spies and informers who believed that telling on "transgressors" was one of the greatest *mitzvot* in the Jewish heritage.

THE AGUDA leadership had a ready justification for their policies. They seemed hardly concerned with

earthly occupations and lived on charity, taking pride in their vast network of synagogues, kollelim and yeshivot. Talmudic learning was the chief goal of life. Women were expected to bear children and attend to all the menial tasks. The Jews were a unique and holy people who should cherish and respect any alien government that offered them adequate means of existence and freed them from military service and earthly concerns. The Aguda's followers stuck to its distinctive dress and customs and regarded themselves as superior to the Gentiles and all those crazy Jews who strove for political and economic independence.

It would be a challenging task to research how many Jewish lives were wasted, how many opportunities were irretrievably lost due to Agudat Yisrael's shortsighted and narrow vision. The movement was not only against Zionism, progress and secular studies; it also took pride in its total dependence on the alien Gentile population.

THE HOLOCAUST marred Agudat Yisrael's conception. The yishuv in Eretz Yisrael suddenly became a sanctuary. Yet from 1919 until 1935, the Agudat Yisrael leadership here had skillfully separated themselves from the Zionist movement. They cursed and relentlessly attacked Ashkenazi Chief Rabbi Kook and the progressive religious movements. Perhaps only another commission of inquiry can tell us how the assassination of Dr. Hahn saved the yishuv from the tragic consequences of a conspiracy between Agudat Yisrael and Mandatory officials.

The Nazis and the Holocaust showed up the ideological bankruptcy of Agudat Yisrael, and its sages temporarily changed their policies and sought to cooperate with the yishuv's national institutions. Aguda leaders in Europe had to flee for their lives. The Gerrer rabbi arrived here in April 1940 and a drive was launched for more participation in Israeli life.

Ben-Gurion wisely welcomed Aguda's participation in the struggle for a Jewish state, as national unity was all important in the battles that lay ahead.

Rabbi Yitzhak Meir Levio was minister of social welfare from 1949 till 1952, and Agudat Yisrael won privileges, an independent school system and exemption of "religious" girls and yeshiva students from military service. Ben-Gurion wanted to create a powerful central government, well-able to take care of the affairs of the young state. Surely he would not wish the

Dry Bones



government of Israel to be subject to the will of a minority party trying to force the country to adopt its own ghetto-like image.

THE AGUDA SAGES and their parliamentary representatives, however, quickly became aware of the possibilities of selling their vote to the highest bidder. Today, as before, the true interests of the country are of no consequence to them whatsoever; the democracy of Israel is just another "foreign government." The Aguda demands — and receives — privileges for which it offers nothing in return, and thus strengthens its power base and influence.

The well-tried methods of the Polish ghetto are used to put tremendous pressure on other religious parties, including Agudat Poalei Yisrael, a splinter group with whom Aguda disagrees on almost every national, social and religious issue.

The Aguda's people never change. Perhaps they cannot even allow themselves the slightest change, for it might undermine their very foundation. The 1977 rise to power of the Likud marked the beginning of a new epoch and Agudat Yisrael's offensive.

In the past few years, we have witnessed an all-out Aguda drive for power and dominance, an undisguised attempt to dominate the public. Actually there are few Aguda demands that I didn't hear in the Warsaw ghetto half a century ago.

What Agudat Yisrael really strives for is to knock down the very foundations of the Jewish state. It

attempts to either control or stop the archeologists; it sucks the funds necessary for spreading higher education and has no sympathy for academic freedom. Just as in pre-World War II Warsaw, the Aguda wants total religious domination and pure power.

Aguda leaders are hardly concerned with the fact that during the past 50 years the Jewish world has changed beyond recognition. They ignore the spreading Jewish religious movements. They ignore the role Israel ought to play in stopping alienation and assimilation.

The movement has narrow and doctrinaire interests, which undermine the very fabric of Israeli society. It is the Warsaw ghetto story all over again — a blind fanaticism and total disregard for all objective considerations. Agudat Yisrael and its Council of Torah Sages has become a powerful and most dangerous force in Israeli politics. This is certainly a bad omen for Zionism, for progress and honest labour in this land, for the continuing rehabilitation of the Jewish people.

Have we forgotten Aguda's tragic role in the Diaspora — their partial responsibility for our tragic lot during the Holocaust? How paradoxical that the very men who claim to be the true People of the Book, the great sages who devote their lives to study, seem to be so unaware of the real issues at stake. They create controversies to restore their ghetto power in the very heart of modern Israel.

The writer is The Jerusalem Post archivist.

READERS' LETTERS

ACCIDENT PREVENTION

To the Editor of The Jerusalem Post: Sir, — I live in Moshav Beit Yanni. We have to cross the Tel Aviv-Haifa highway twice daily, and sometimes much more often.

There have been many accidents, serious ones, and many deaths at this crossing. Some of our families cross with tractors in order to work their citrus groves, which are across the road. Our women drive their children to the sick fund clinic, they go to the grocery store, the post office and all other facilities, which are across the road in Kfar Vitkin. Each trip is dangerous.

I am aware that money for roads, overpasses and fly-overs is not available. But can't we have a stop light at corners like Beit Yanni — Kfar Vitkin? At least stop lights, until such a time as our government can find the money needed to prevent accidents.

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SPIRITUAL PILGRIMAGES

Tourism is not meant to protect the guides, but to give the tourists full value for their money, to encourage them to come again and to recommend the tour to all their friends.

If people spend well over \$1,000 for their pilgrimage — is it not reasonable to spend a marginal sum for a guide and get full value? Father Doyle has been here 17 times and wonders why he is not permitted to guide. People attend mass many times — are they allowed to conduct it? Not only is Father Doyle — after 17 visits — not qualified to guide, also people who have lived here all their lives, but have not had the correct training, are not allowed to guide.

I have reached the conclusion that Father Doyle was unfortunate with his guides until now. I have

guided many Catholic groups, all of which were led by priests who were here several times before — they have all requested me as their guide for their next tour.

People come here on pilgrimage first of all for spiritual reasons, but their tour is not complete unless a window is opened for them to all the other things they see here.

When I guide, the group leader always has the opportunity of completing the explanation at every site, a free hand at the microphone in the bus, and the authority to make changes in the daily itinerary (naturally within the general outline of budget, time and mileage). So people who join these tours because of the leader have nothing to fear, he is still the leader, the guide will only add, not detract.

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